

**Independent Auditor's Report
To The Members of
Indiabulls Consumer Products Limited**

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2016 ("The Order") issued by the Central Government of India in terms of subsection 11 of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

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

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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, required to be transferred, to the Investor Education and Protection Fund by the Company.

For A Sardana & Co.
Chartered Accountants
Firm Registration No. 021890N

Ajay Sardana
Partner
Membership No.089011
New Delhi, April 21, 2018

Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Consumer Products Limited for the year ended March 31, 2018.

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

- (i) In 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 inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. No discrepancies were noticed between the physical stocks and the book records.
- (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) According to information and explanations given to us, the Company has not entered into any transactions in respect of loans, investments, guarantees and security as covered under the provisions of 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, 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, 2018 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 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 did not have any dues in respect of loans or borrowing to a financial institution, or bank, government or dues to debenture holders.

- (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) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers/ employees 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) 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 29 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 not made any preferential allotment / private placement of shares or 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.
- (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 A Sardana & Co.
Chartered Accountants
Firm Registration No. 021890N

Ajay Sardana
Partner
Membership No.089011
New Delhi, April 21, 2018

Annexure B to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Consumer Products Limited for the year ended March 31, 2018

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 Consumer Products Limited ("the Company") as of March 31, 2018 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. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 A Sardana & Co.
Chartered Accountants
Firm Registration No. 021890N

Ajay Sardana
Partner
Membership No.089011
New Delhi, April 21, 2018

Indiabulls Consumer Products Limited
Balance Sheet as at March 31, 2018

	Note No.	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
I. Equity And Liabilities			
(1) Shareholders' funds			
(a) Share capital	3	500,000	500,000
(b) Reserves and surplus	4	1,071,653	428,629
		<u>1,571,653</u>	<u>928,629</u>
(2) Non - current liabilities			
(a) Deferred tax liabilities (net)	5	34,569	-
(b) Long-term provisions	6	-	209,323
		<u>34,569</u>	<u>209,323</u>
(3) Current liabilities			
(a) Short-term borrowings	7	1,700,000	-
(b) Other current liabilities	8	223,461	2,282,804
(c) Short-term provisions	9	-	2,926
		<u>1,923,461</u>	<u>2,285,730</u>
Total		<u>3,529,683</u>	<u>3,423,682</u>
II. Assets			
(1) Non - current assets			
(a) Fixed assets	10		
Tangible assets		685,416	617,188
		<u>685,416</u>	<u>617,188</u>
(b) Deferred tax assets (net)	5	-	23,312
(c) Long-term loans and advances	11	-	260,461
(d) Other non-current assets	12	100,000	100,000
		<u>785,416</u>	<u>1,000,961</u>
(2) Current assets			
(a) Trade receivables	13	170,660	-
(b) Cash and cash equivalents	14	361,463	923,116
(c) Short-term loans and advances	15	2,212,083	1,499,540
(d) Other current assets	16	61	65
		<u>2,744,267</u>	<u>2,422,721</u>
Total		<u>3,529,683</u>	<u>3,423,682</u>

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

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

For A Sardana & Co.
Chartered Accountants
Firm Registration No. 021890N

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No. 089011
New Delhi, April 21, 2018

Divyesh Bharat Kumar Shah
Director
DIN: 00010933
New Delhi, April 21, 2018

Kishor Kumar Srivastava
Director
DIN: 01223908

Indiabulls Consumer Products Limited
Statement of Profit and Loss for the year ended March 31, 2018

		For the year ended March 31, 2018	For the period from July 05, 2016 to March 31, 2017	
	Note No.	Amount (Rs.)	Amount (Rs.)	
Income				
I.	Revenue from operations	17	7,460,000	12,500,000
II.	Other income	18	1,248,188	1,605
III.	Total revenue (I + II)	8,708,188	12,501,605	
IV. Expenses				
	Cost of goods sold	19	303,300	-
	Employee benefits expense	20	4,987,039	9,666,173
	Finance costs	21	222,978	110,959
	Depreciation		330,837	27,345
	Other expenses	22	2,163,129	2,030,551
	Total Expenses	8,007,283	11,835,028	
V.	Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)	700,905	666,577	
VI.	Exceptional items	-	-	
VII.	Profit/(Loss) before extraordinary items and tax (V - VI)	700,905	666,577	
VIII.	Extraordinary items	-	-	
IX.	Profit/(Loss) before tax (VII- VIII)	700,905	666,577	
X.	Tax expense			
	Current tax	-	261,260	
	Deferred tax expenses/ (credit)	57,881	(23,312)	
		57,881	237,948	
XI.	Profit/(Loss) for the year/period from continuing operations (IX-X)	643,024	428,629	
XII.	Profit/(loss) from discontinuing operations	-	-	
XIII.	Tax expense of discontinuing operations	-	-	
XIV.	Profit/(Loss) from Discontinuing operations (after tax) (XII-XIII)	-	-	
XV.	Profit/(Loss) for the year/period (XI + XIV)	643,024	428,629	
XVI.	Earnings per equity share:	30		
	(1) Basic	12.86	8.57	
	(2) Diluted	12.86	8.57	
	(3) Face value per Equity Share (Rs.)	10.00	10.00	

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

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

For A Sardana & Co.
Chartered Accountants
Firm Registration No. 021890N

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No. 089011
New Delhi, April 21, 2018

Divyesh Bharat Kumar Shah
Director
DIN: 00010933
New Delhi, April 21, 2018

Kishor Kumar Srivastava
Director
DIN: 01223908

Indiabulls Consumer Products Limited
Cash Flow Statement for the year ended March 31, 2018

	For the year ended March 31, 2018 Amount (Rs.)	For the period from July 05, 2016 to March 31, 2017 Amount (Rs.)
A Cash flow from operating activities :		
Net Profit/(Loss) before tax	700,905	666,577
Adjustments for :		
Interest on fixed deposits	(6,246)	(1,605)
Excess provisions written back	(967,844)	-
Provision for gratuity and compensated absences written back	(274,098)	-
Interest on inter corporate deposits	222,978	110,959
Depreciation	330,837	27,345
Provision for gratuity and compensated absences	-	212,249
Operating Profit/(Loss) before working capital changes	6,532	1,015,525
Adjustments for:		
Other current liabilities	(1,091,499)	2,282,804
Long-term and short-term provisions	61,849	-
Other non current assets	-	(100,000)
Trade receivables	(170,660)	-
Short-term loans and advances	127,248	(510,800)
Cash (used in)/ generated from operations	(1,066,530)	2,687,529
Direct taxes paid	(839,791)	(1,250,000)
Net cash (used in)/ generated from operating activities	(1,906,321)	1,437,529
B Cash flow from investing activities :		
Purchase of fixed assets	(399,065)	(644,533)
Movement in capital advances	260,461	(260,461)
Interest received	6,250	1,540
Net cash used in investing activities	(132,354)	(903,454)
C Cash flow from financing activities :		
Proceeds from issue of share capital	-	500,000
Inter corporate deposit taken	1,700,000	-
Interest paid	(222,978)	(110,959)
Net cash generated from financing activities	1,477,022	389,041
D Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(561,653)	923,116
E Cash and cash equivalents at the beginning of the year/period	923,116	-
F Cash and cash equivalents at the close of the year/period (D + E)	361,463	923,116

Note:

- The figures of the previous period are regrouped wherever considered necessary.
- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS) - 3 on 'Cash Flow Statements' as specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.
- Reconciliation of Cash and cash equivalents with cash and bank balances as at the close of the year/period : [Refer Note: 14]

	As at March 31, 2018	As at March 31, 2017
Balances with Banks:		
- in current accounts	361,463	923,116
Cash and cash equivalents	361,463	923,116
Other bank balances		
- in deposit accounts with original maturity of more than twelve months	100,000	100,000
Less:-Amount disclosed under non-current assets [Refer Note: 12]	(100,000)	(100,000)
Cash and bank balances as at the close of the year/period	361,463	923,116

The accompanying notes are an integral part of the financial statements

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

For A Sardana & Co.
Chartered Accountants
Firm Registration No. 021890N

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No. 089011
New Delhi, April 21, 2018

Divyesh Bharat Kumar Shah
Director
DIN: 00010933
New Delhi, April 21, 2018

Kishor Kumar Srivastava
Director
DIN: 01223908

Indiabulls Consumer Products Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2018

1. Corporate information:

Indiabulls Consumer Products Limited ("ICPL" or "the Company") was incorporated on July 6, 2016. The Company is engaged primarily in the business of LED lighting and related consultancy services.

2. Summary of significant accounting policies:

i) Basis of accounting and preparation of financial statements:

The financial statements are prepared under the historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and Accounting Standards (AS) as specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous period.

ii) Use of estimates:

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made by management that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known / materialized.

iii) Cash and cash equivalents:

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

iv) Cash flow statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

v) Revenue recognition:

- (a) Revenue from sale of traded goods is recognized when the good have been delivered, in accordance with the terms of the underlying sales contract.
- (b) Income from fee based consultancy is recognised on an accrual basis.
- (c) Revenues are shown net of sales tax value added tax, service tax and applicable discounts and allowances.
- (d) Income from interest from fixed deposits is recognized on accrual basis.

vi) Inventories:

Inventories of traded goods are valued at lower of cost and net realizable value, including necessary provision for obsolescence. Cost is determined using the weighted average method.

vii) Fixed assets:

Tangible assets:

Tangible fixed assets are stated at cost, net of tax / duty credits availed, if any, less accumulated depreciation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation and any attributable cost of bringing the asset to its working condition for its intended use.

Intangible assets:

Intangible assets are stated at cost, net of tax / duty credits availed, if any, less accumulated amortization / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition.

viii) Depreciation / Amortization:

Depreciation on tangible fixed assets is provided on straight-line method at the rates specified in Schedule II to the Companies Act, 2013. Depreciation on additions to fixed assets is provided on pro-rata basis from the date the asset is put to use. Depreciation on sale / deduction from fixed asset is provided for up to the date of sale / deduction as the case may be. Assets taken on finance lease are depreciated over the life of the lease. Assets costing less than Rs. 5,000 or less are fully depreciated in the year of purchase. Intangible assets consisting of Software are amortised on a straight line basis over a period of four years from the date when the assets are available for use.

ix) 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. 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 recognised 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.

x) Investments:

Investments are classified as long term and current investments. Long term investments are carried at cost less provision, if any, for diminution other than temporary in the carrying value of such investments. Current Investments are valued at lower of cost or market value.

xi) Share issue expenses:

Share issue expenses are adjusted against Securities Premium account to the extent of balance available and thereafter, the balance portion is charged off to the Statement of Profit and Loss, as incurred.

Indiabulls Consumer Products Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2018

xii) Taxes on income:

Current tax is determined as the tax payable in respect of taxable income for the year in accordance with relevant tax regulations.

Deferred tax resulting from timing differences between book and tax profits is accounted for at the current rate of tax or substantively enacted tax rates at the balance sheet date, as applicable, to the extent that the timing differences are expected to crystallize.

Deferred Tax Assets are recognized where realization is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognized only if there is a virtual certainty of realization supported by convincing evidence. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

xiii) 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.

xiv) Preliminary expenses:

Preliminary expenses are adjusted against securities premium account (net of tax) to the extent available, and the balance, if any, is charged off to the Statement of Profit and Loss, as incurred.

xv) Provisions, contingent liabilities and contingent assets:

Provisions are recognised 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.

xvi) Earnings per share:

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive potential equity shares outstanding during the year except where the results would be anti-dilutive.

xvii) Segment reporting:

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

xviii) Employee benefits:

The Company's contribution to Provident Fund and Employee State Insurance is charged to Statement of Profit and Loss. For the year ended March 31, 2018, as permitted under Accounting Standard 15 (Revised 2005) - Employee Benefits, as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, in respect of companies with few employees, retirement benefits in the form of Gratuity and Compensated Absences payable to employees is provided for on the accrual basis under the assumption that such benefits are payable at year end. During the previous period from July 5, 2016 to March 31, 2017, the Company had determined that liability for defined benefit plans namely compensated absences and gratuity for its employees, on the basis of an actuarial valuation conducted annually by an independent actuary, in accordance with Accounting Standards 15 (AS 15) Employee Benefits, as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended. Actuarial gains and losses are recognized in Statement of Profit and Loss as income or expenses.

xix) Leases:

In case of assets taken on operating lease, the lease rentals are charged to the Statement of Profit and Loss and assets taken on finance lease have been capitalized, in accordance with Accounting Standard 19 (AS 19) – Leases, as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.

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Indiabulls Consumer Products Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2018

Note - 3

Share capital

	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Authorised				
Equity Shares of face value of Rs. 10 each	50,000	500,000	50,000	500,000
		<u>500,000</u>		<u>500,000</u>
Issued, subscribed and paid up				
Equity Shares of face value of Rs. 10 each fully paid up	50,000	500,000	50,000	500,000
As Per Balance Sheet		<u>500,000</u>		<u>500,000</u>

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year/period

Equity shares

	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Opening balance at the beginning of the year/period	50,000	500,000	-	-
Add: Issued during the year/period:	-	-	50,000	500,000
Less: Shares bought back during the year/period:	-	-	-	-
Outstanding at the end of the year/period	<u>50,000</u>	<u>500,000</u>	<u>50,000</u>	<u>500,000</u>

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to received 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.

c. Details of shareholders holding more than 5% shares in the company

No. of shareholders	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Shares of face value of Rs. 10 each fully paid up				
The entire share capital is held by Indiabulls Ventures Limited (The Holding Company including its nominees)	50,000	100%	50,000	100%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d. Employee stock option plans [Refer Note: 32]

Note - 4

Reserves and surplus

	As at		As at	
	March 31, 2018		March 31, 2017	
	Amount (Rs.)		Amount (Rs.)	
Surplus/(deficit) in the statement of profit and loss				
Opening Balance		428,629		-
Add: Profit/(Loss) for the year/period		643,024		428,629
As Per Balance Sheet		<u>1,071,653</u>		<u>428,629</u>

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Indiabulls Consumer Products Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2018

Note - 5

Deferred tax asset/(liabilities) (net)

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Deferred tax liability:		
Arising on account of temporary differences due to:		
- Difference between book balance & tax balance of fixed assets	38,469	57,065
	<u>38,469</u>	<u>57,065</u>
Deferred tax assets:		
Arising on account of temporary differences due to:		
- Disallowance under Section 40A(7) of the Income-Tax Act, 1961		62,078
- Disallowance under Section 43B of the Income Tax Act, 1961		11,377
- Preliminary expenses under Section 35D of the Income Tax Act, 1961	3,900	6,922
	<u>3,900</u>	<u>80,377</u>
As Per Balance Sheet	<u>(34,569)</u>	<u>23,312</u>

In compliance with AS - 22 'Accounting for Taxes on Income' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, the Company has recorded deferred tax expenses of Rs. 57,881 (Previous period deferred tax credit Rs. 23,312) to the Statement of Profit and Loss for the year/period.

Note - 6

Long-term provisions

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Provision for employee benefits [Refer Note: 31]		
Provision for gratuity	-	176,950
Provision for compensated absences	-	32,373
As Per Balance Sheet	<u>-</u>	<u>209,323</u>

Note - 7

Short-term borrowings

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Unsecured		
From fellow subsidiary companies	1,700,000	-
As Per Balance Sheet	<u>1,700,000</u>	<u>-</u>

Unsecured loan from fellow subsidiary company is repayable at any time at the option of the Company and carries interest payable at the rate of 9% per annum calculated on daily outstanding balances. There is no default in the repayment of the loan or interest at the balance sheet date.

Note - 8

Other current liabilities

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Statutory liabilities	31,826	437,365
Expenses payable and other liabilities	191,635	1,845,439
As Per Balance Sheet	<u>223,461</u>	<u>2,282,804</u>

Note - 9

Short-term provisions

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Provision for employee benefits [Refer Note: 31]		
Provision for gratuity	-	2,426
Provision for compensated absences	-	500
As Per Balance Sheet	<u>-</u>	<u>2,926</u>

Indiabulls Consumer Products Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2018

Note - 10
Fixed Assets:

Particulars	Gross block (at cost)				Accumulated depreciation				Net block	
	As at April 1, 2017 Rs.	Additions during the year Rs.	Adjustments/ Sales during year Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.	Additions during the year Rs.	Adjustments during the year Rs.	As at March 31, 2018 Rs.	As at March 31, 2017 Rs.	
A. Tangible Assets										
Office equipment	5,000	-	-	5,000	255	1,000	-	1,255	3,745	
Furniture	-	66,816	-	66,816	-	6,370	-	6,370	60,446	
Computer	639,533	332,249	-	971,782	27,090	323,467	-	350,557	621,225	
TOTAL	644,533	399,065	-	1,043,598	27,345	330,837	-	358,182	685,416	
Previous Period	-	644,533	-	644,533	-	27,345	-	27,345	617,188	

Indiabulls Consumer Products Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2018

Note - 11

Long-term loans and advances

(Unsecured, considered good)

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Capital advances	-	260,461
As Per Balance Sheet	-	260,461

Note - 12

Other non current assets

(Unsecured, considered good)

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Non-current bank balances [Refer Note: 14]	100,000	100,000
As Per Balance Sheet	100,000	100,000

Note - 13

Trade receivables:

(Unsecured, considered good)

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Outstanding for a period exceeding six months	170,660	-
Others	-	-
As Per Balance Sheet	170,660	-

Note - 14

Cash and Bank Balances:

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
i) Cash and cash equivalents		
Cash on hand	-	-
Balance with banks		
In current accounts	361,463	923,116
	<u>361,463</u>	<u>923,116</u>
ii) Other bank balances [Also refer footnote (a) below]		
in Deposits with original maturity of more than 12 months	100,000	100,000
	100,000	100,000
Less:-Amount disclosed under non-current assets [Refer Note: 12]	(100,000)	(100,000)
	<u>-</u>	<u>-</u>
As Per Balance Sheet	361,463	923,116

(a) FDR of Rs. 100,000 pledged with Sales Tax Authorities.

Note - 15

Short-term loans and advances

(Unsecured, considered good)

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
(i) Advances recoverable in cash or in kind or for value to be received	12,312	494,737
(ii) Balances with government authorities		
Tax deducted at source	1,828,531	988,740
[Net of Provision for Tax Rs. 261,260 (Previous period Rs. 261,260)]		
GST input credit (Previous period service tax input credit)	371,240	16,063
As Per Balance Sheet	2,212,083	1,499,540

Indiabulls Consumer Products Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2018

Note - 16

Other current assets

(Unsecured, considered good)

	<u>As at March 31, 2018 Amount (Rs.)</u>	<u>As at March 31, 2017 Amount (Rs.)</u>
Interest accrued on fixed deposits	61	65
As Per Balance Sheet	<u><u>61</u></u>	<u><u>65</u></u>

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Indiabulls Consumer Products Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2018

	For the year ended March 31, 2018 Amount (Rs.)	For the period from July 05, 2016 to March 31, 2017 Amount (Rs.)
Note - 17		
Revenue From Operations		
Sales	460,000	-
Consultancy fees	7,000,000	12,500,000
As Per Statement of Profit and Loss	7,460,000	12,500,000
Note - 18		
Other Income		
Excess provisions written back	967,844	-
Provision for gratuity and compensated absences written back	274,098	-
Interest on fixed deposits	6,246	1,605
As Per Statement of Profit and Loss	1,248,188	1,605
Note - 19		
Cost of Sales		
Cost of goods sold	303,300	-
As Per Statement of Profit and Loss	303,300	-
Note - 20		
Employee Benefits Expense		
Salaries	4,861,319	9,396,604
Contribution to pension scheme	41,300	57,320
Provision for gratuity and compensated absences [Refer Note: 31]	-	212,249
As Per Statement of Profit and Loss	4,987,039	9,666,173
Note - 21		
Finance Costs		
Interest on inter corporate deposits	222,978	110,959
As Per Statement of Profit and Loss	222,978	110,959

Indiabulls Consumer Products Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2018

	For the year ended March 31, 2018	For the period from July 05, 2016 to March 31, 2017
	Amount (Rs.)	Amount (Rs.)
Note - 22		
Other Expenses		
Lease rent	99,495	-
Rates & taxes	3,678	85,053
Commission expenses	-	22,000
Professional & consultancy charges	266,481	355,525
Stamp paper expenses	-	6,380
Traveling & conveyance	182,053	962,552
Business promotion expenses	1,054,697	310,000
Printing & stationery	5,639	5,958
Communication expenses	22,911	-
Advances written off	69,295	-
Repairs and maintenance - others	8,213	33,430
Auditors' remuneration		
- as statutory auditor	102,500	10,000
Preliminary expenses	-	165,710
Insurance expenses	128,440	-
Software expenses	193,409	73,000
Miscellaneous expenses	26,318	943
As Per Statement of Profit and Loss	<u>2,163,129</u>	<u>2,030,551</u>

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Indiabulls Consumer Products Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2018

Note - 23

As per the best estimate of the management, no provision is required to be made as per Accounting Standard 29 (AS 29) -- Provisions, Contingent Liabilities and Contingent Assets as specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, 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.

Note - 24

The Company has not entered into any derivative contracts during the year. The Company does not have any foreign currency exposures as at March 31, 2018 (Previous period Rs. Nil).

Note - 25

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

Particulars	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
	Nil	Nil
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year/period	Nil	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year/period	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/period	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year/period	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 - 26

There are no capital or other commitments to be reported as at March 31, 2018 (Previous period Rs. 538,045).

Note - 27

There are no borrowing costs to be capitalised as at March 31, 2018 (Previous period Rs. Nil).

Note - 28

Segment reporting

The Company's primary business segment is reflected based on principal business activities carried on by it. The Company is engaged in the single primary business segment of LED lighting and related consultancy services. The Company operates solely in one Geographic segment namely "Within India". No further disclosures are required under Accounting Standard 17, Segment Reporting, as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, other than those already provided in the financial statements.

Note - 29

Disclosures in respect of AS - 18 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended:

(a) Details of related parties:

Description of relationship	Name of the Party
(i) where control exists	
Holding Company	Indiabulls Ventures Limited (formerly known as Indiabulls Securities Limited)
	IVL Finance Limited (Formerly known as Shivshakti Financial Services Limited)
	Indiabulls Distribution Services Limited
	Astilbe Builders Limited
	Astraea Constructions Limited
	Silenus Buildtech Limited
	Arbutus Constructions Limited
	Gyansagar Buildtech Limited
	Pushpanjali Fincon Limited
	Pushpanjali Finsolutions Limited
	Devata Tradelink Limited
	Indiabulls Investment Advisors Limited (Formerly known as Indiabulls Brokerage Limited)
	Indiabulls Commodities Limited
	Auxesia Soft Solutions Limited
	India Ethanol and Sugar Limited
	Positive Housings Private Limited (upto March 30, 2018)
	Indiabulls Alternate Investment Limited
	Indiabulls Logistics Limited (w.e.f. January 19, 2017)
	Indiabulls Infra Resources Limited (w.e.f. February 01, 2017)
	Indiabulls Asset Reconstruction Company Limited (w.e.f. October 03, 2016)
Entities under common control (Fellow Subsidiary Companies (including step down subsidiaries)	

Indiabulls Consumer Products Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2018

Note - 29

Disclosures in respect of AS - 18 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended: *(Continued)*

(ii) Other related parties:

Key Management Personnel	Mr. Sameer Gehlaut, Individual exercising significant influence
	Mr. Prasenjeet Mukharjee, Director
	Mr. Kishor Kumar Srivastava, Director
	Mr. Divyesh Bharat Kumar Shah, Director

(b) Significant Transactions with Related Parties during the year/period ended March 31, 2018:

(Amount in Rs.)

Nature of Transaction	Holding Company	Entities under common control	Total
Finance			
Issue of Equity Shares	-	-	-
	<i>500,000</i>	-	<i>500,000</i>
Inter corporate deposit taken	-	9,200,000	9,200,000
(Maximum balance outstanding during the year/period):	-	<i>7,500,000</i>	<i>7,500,000</i>
Income			
Consultancy fee	-	-	-
	-	<i>12,500,000</i>	<i>12,500,000</i>
Expenses			
Interest on Inter Corporate Deposits	-	222,978	222,978
	-	<i>110,959</i>	<i>110,959</i>

Note: Figures in italic relates to the previous period

(c) Statement of Material Transactions:

(Amount in Rs.)

Particulars	For the year ended March 31, 2018	For the period from July 5, 2016 to March 31, 2017
Finance		
Issue of equity share capital		
Indiabulls Ventures Limited	-	500,000
Inter corporate deposit taken		
(Maximum balance outstanding during the year/period):		
Indiabulls Distribution Services Limited	9,200,000	7,500,000
Income		
Consultancy fee		
Indiabulls Distribution Services Limited	-	12,500,000
Expenses		
Interest on inter corporate deposits		-
Indiabulls Distribution Services Limited	222,978	110,959

(d) Outstanding as at March 31, 2018:

(Amount in Rs.)

Nature of Transaction	Holding Company	Fellow Subsidiary Company	Total
Finance			
Inter Corporate Deposit Taken	-	1,700,000	1,700,000
	-	-	-

Note: Figures in italic relates to the previous period

In accordance with AS 18, 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 - 30

Earnings per share:

Basic earnings per share is computed by dividing the net profit/(loss) attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. 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. 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 period, unless they have been issued at a later date. The number of equity shares and potential diluted equity shares are adjusted for stock split and bonus shares as appropriate.

Particulars	For the year ended March 31, 2018	For the period from July 05, 2016 to March 31, 2017
Net Profit/(Loss) available for Equity Shareholders (Rs.)	643,024	428,629
Weighted average number of equity shares used for computing Basic and Diluted earnings per share	50,000	50,000
Nominal Value of equity Shares – (Rs. Per Share)	10.00	10.00
Earnings Per Share – Basic (Rs. Per Share)	12.86	8.57
Earnings Per Share – Diluted (Rs. Per Share)	12.86	8.57

Indiabulls Consumer Products Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2018

Note - 31

Employee benefits:

Defined benefit plans

During the year ended March 31, 2018, the Company had estimated its obligations for retirement benefits in the form of Gratuity and Compensated Absences payable to employees on an accrual basis under the assumption that such benefits are payable at year end, as permitted under AS 15 in respect of companies with a few employees. For the previous reporting period from July 5, 2016 to March 31, 2017, the Company had estimated its obligations for retirement benefits in the form of Gratuity and Compensated Absences for all employees is based upon actuarial valuation done calculated using the Projected Unit Credit Method as specified under AS 15. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

Disclosures in respect of Gratuity and Compensated Absences:

Particulars	Amount (Rs.)		Amount (Rs.)	
	Gratuity (unfunded) March 31, 2018**	Compensated absences (unfunded) March 31, 2018**	Gratuity (unfunded) March 31, 2017*	Compensated absences (unfunded) March 31, 2017*
Reconciliation of liability recognized in the Balance Sheet:				
Present value of commitments (as per actuarial valuation)	-	-	179,376	32,873
Fair value of plans	-	-	-	-
Net liability in the Balance Sheet (Actual)	-	-	179,376	32,873
Movement in net liability recognized in the Balance Sheet:				
Net liability as at beginning of the year/period	179,376	32,873	-	-
Net expense/(gain) recognized in the Statement of Profit and Loss	(179,376)	(32,873)	179,376	32,873
Benefits paid during the year/period	-	-	-	-
Contribution during the year/period	-	-	-	-
Net liability as at end of the year/period	-	-	179,376	32,873
Expense recognized in the Statement of Profit and Loss:				
Current service cost	(179,376)	(27,301)	143,629	27,301
Past service cost	-	(5,572)	35,747	5,572
Interest cost	-	-	-	-
Expected return on plan assets	-	-	-	-
Actuarial (gains)/ losses	-	-	-	-
Expense/(Income) charged to the Statement of Profit and Loss	(179,376)	(32,873)	179,376	32,873
Return on plan assets:				
Expected return on plan assets	-	-	-	-
Actuarial (gains)/ losses	-	-	-	-
Actual return on plan assets	-	-	-	-
Reconciliation of defined-benefit commitments:				
As at beginning of the year/period	179,376	32,873	-	-
Current service cost	(179,376)	(27,301)	143,629	27,301
Past service cost	-	(5,572)	35,747	5,572
Interest cost	-	-	-	-
Paid benefits	-	-	-	-
Actuarial (gains)/ losses	-	-	-	-
Commitments as at end of the year/period	-	-	179,376	32,873
Reconciliation of plan assets:				
Plan assets as at beginning of the year/period	-	-	-	-
Expected return on plan assets	-	-	-	-
Contributions during the year/period	-	-	-	-
Paid benefits	-	-	-	-
Actuarial (gains)/ losses	-	-	-	-
Plan assets as at end of the year/period	-	-	-	-

* based on actuarial valuation

** calculated on accrual basis for the year ended March 31, 2018

Experience adjustments:*

Particulars	Gratuity (unfunded) March 31, 2018	Compensated absences (unfunded) March 31, 2018	Gratuity (unfunded) March 31, 2017	Compensated absences (unfunded) March 31, 2017
On plan liabilities gain/(loss)	-	-	-	-
On plan assets (gain)/loss	N.A.	N.A.	N.A.	N.A.
Present value of benefit obligation	-	-	179,376	32,873
Fair value of plan assets	N.A.	N.A.	N.A.	N.A.
Excess of (obligation over plan assets)/plan assets over obligation	-	-	179,376	32,873

*N.A Not Applicable

Indiabulls Consumer Products Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2018

Note - 31

Employee benefits (continued):

The actuarial calculations used to estimate commitments and expenses in respect of Gratuity and Compensated Absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expense.

Particulars	Year ended March 31, 2018	For the period from July 05, 2016 to March 31, 2017
Discount rate	N.A.	7.35%
Expected return on plan assets	N.A.	N.A.
Expected rate of salary increase	N.A.	5.00%
Mortality table	N.A.	IALM (2006-08)

*N.A Not Applicable

The employer's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity and Compensated Absences is NIL (Previous year: Gratuity Rs. 831,466 and compensated absences: Rs.84,603 respectively).

Note - 32

Employee Stock Option Scheme of Indiabulls Ventures Limited (formerly known as Indiabulls Securities Limited) ('IVL') "the holding Company":

Employees Stock Option Scheme - 2008

During the financial year ended March 31, 2009, IVL 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, IVL was authorised to grant 20,000,000 Equity settled options to eligible employees including its directors (other than promoter directors) and employees of its subsidiary companies including their directors. All options under the Scheme are exercisable for Equity Shares of IVL. Employees covered by the plan were granted an option to purchase shares of IVL subject to the requirements of vesting.

A Compensation Committee constituted by the Board of Directors of IVL 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 IVL, to the eligible employees, at an exercise price of Rs. 17.40, being the latest available closing market price on the National Stock Exchange of India Limited, as on January 23, 2009. As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The stock options so granted, shall vest in the eligible employees over a period of 10 years beginning from January 25, 2010 being the first vesting date. The options granted under each of the slabs, can be exercised by the grantees within a period of five years from the relevant vesting date.

Further, during the year ended March 31, 2017, the Compensation Committee had regranted 9,700,000 stock options (surrendered and lapsed options eligible for regrant) representing an equal number of equity shares of face value Rs. 2 each in IVL, to the eligible employees, at an exercise price of Rs. 24.15, being the latest available closing market price on the National Stock Exchange of India Limited, as on June 30, 2016. As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The stock options so granted, shall vest uniformly over a period of 5 years beginning from July 2, 2017, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

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

Particulars	IBVL ESOP - 2008			
	20,000,000 Options	9,700,000 Options Re granted	500,000 Options Re granted	880,600 Options Re granted
(1) Exercise price	Rs. 17.40	Rs. 24.15	Rs. 219.65	Rs. 254.85
(2) Expected volatility	79.00%	42.97%	46.70%	47.15%
(3) Expected forfeiture percentage on each	Nil	Nil	Nil	Nil
(4) Option Life (Weighted Average)	11 Years	6 Years	6 Years	6 Years
(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) The fair value of the options under the plans using the Black-Scholes model based on the above parameters	Re. 0.84	Rs. 4.31	Rs. 106.31	Rs. 130.05

The expected volatility was determined based on historical volatility data.

Indiabulls Consumer Products Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2018

Note - 32

Employee Stock Option Scheme of Indiabulls Ventures Limited (formerly known as Indiabulls Securities Limited) ('IVL') "the holding Company" (continued) :

Employees Stock Option Scheme - 2009

During the financial year ended March 31, 2010, IVL had issued Employee Stock Option Scheme titled as 'Indiabulls Ventures Limited Employees Stock Option Scheme - 2009' ("IBVL ESOP - 2009"). Under the Scheme, IVL was authorised 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 IVL and its

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

During the year ended March 31, 2011, the Compensation Committee had further granted 2,050,000 Stock Options representing an equal number of equity shares of face value Rs. 2 each in IVL, at an exercise price of Rs. 31.35, being the latest available closing market price on the National Stock Exchange of India Limited, as on April 9, 2010. As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The Stock Options so granted, shall vest uniformly over 10 years beginning from April 13, 2011 being the first vesting date. The options granted under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

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

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

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

Particulars No. of Shares	IBVL ESOP - 2009						
	10,000,000 Options	2,050,000 Options	10,000,000 Options Regrant & 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	Rs. 31.35	Rs. 27.45	Rs. 16.00	Rs. 24.15	Rs. 219.65	Rs. 254.85
(2) Expected volatility*	77.00%	48.96%	38.59%	40.74%	42.97%	46.70%	47.15%
(3) Expected forfeiture percentage on each	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(4) Option Life (Weighted Average)	10 Years	10 Years	7 Years	6 Years	6 Years	6 Years	6 Years
(5) Expected Dividends yield	13.48%	6.86%	9.16%	16.33%	10.82%	1.27%	1.10%
(6) Risk Free Interest rate	7.50%	8.05%	6.50%	7.45%	7.45%	6.54%	7.56%
(7) Fair value of the options (Rs.)**	Rs. 6.48	Rs. 9.39	Rs. 4.77	Rs. 1.38	Rs. 4.31	Rs. 106.31	Rs. 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.

There is no impact on the Company's net profit after taxes and earnings per share in respect of IBVL ESOS 2008 and IBVL ESOS 2009, had the compensation cost for the stock options granted been determined based on the fair value approach.

Indiabulls Consumer Products Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2018

Note - 32

Employee Stock Option Scheme of Indiabulls Ventures Limited (formerly known as Indiabulls Securities Limited) ('IVL') "the holding Company" (continued) :

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

Total Options under the Scheme	IBVL ESOP – 2008			
	20,000,000			
Options granted (Nos.)	20,000,000	9,700,000 (Regrant)	500,000 (Regrant)	880,600 (Regrant)
Vesting Period and Percentage	Ten years, 1st Year – 15%, 2nd year to 9th year - 10% each year, 10th year – 5%	Uniformly over a period of Five years	Uniformly over a period of Five years	Uniformly over a period of Five years
Vesting Date	January 25 th each year, commencing January 25, 2010	July 2 nd each year, commencing July 2, 2017	September 2 nd each year, commencing September 2, 2018	March 25 th each year, commencing March 25, 2019
Exercise Price (Rs.)	17.40	24.15	219.65	254.85
Outstanding at the beginning of the year (Nos.)	1,526,316	9,700,000	-	-
Granted/ regranted during the year (Nos.)	-	-	500,000	880,600
Exercised during the year (Nos.)	220,400	-	-	-
Expired during the year (Nos.)	9,299	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)#	28,050	-	-	-
Outstanding at the end of the year (Nos.)	1,268,567	9,700,000	500,000	880,600
Vested and exercisable at the end of the year	922,314	1,940,000	-	-
Remaining contractual Life (Weighted Months)	56	75	89	96

#Net of options surrendered before vesting

Total Options under the Scheme	IBVL ESOP – 2009						
	20,000,000						
Options granted (Nos.)	10,000,000	2,050,000	10,000,000 (Regrant & Surrendered)	9,500,000 (Regrant)	10,000,000 (Regrant & Surrendered)	10,000,000 (Regrant)	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 December 2, 2010	April 13th each year, commencing April 13, 2011	August 26th each year, commencing August 26, 2016	May 13th each year, commencing May 13, 2017	July 2nd each year, commencing July 2, 2017	September 2nd each year, commencing September 2, 2018	March 25th each year, commencing March 25, 2018
Exercise Price (Rs.)	35.25	31.35	27.45	16.00	24.15	219.65	254.85
Outstanding at the beginning of the year (Nos.)	-	450,000	-	9,153,000	-	-	-
Granted/ regranted during the year (Nos.)	-	-	-	-	-	10,000,000	669,400
Exercised during the year (Nos.)	-	300,000	-	1,758,100	-	-	-
Expired during the year (Nos.)	-	-	-	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)#	-	-	-	242,400	-	30,000	-
Outstanding at the end of the year (Nos.)	-	150,000	-	7,152,500	-	9,970,000	669,400
Exercisable at the end of the year (Nos.)	-	-	-	72,500	-	-	-
Remaining contractual Life (Weighted Months)	-	72	-	79	-	89	96

#Net of options surrendered before vesting

Indiabulls Consumer Products Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2018

Note - 33

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 March 31, 2018.

Note - 34

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

As per our report of even date

For A Sardana & Co.
Chartered Accountants
Firm Registration No. 021890N

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No. 089011
New Delhi, April 21, 2018

Divyesh Bharat Kumar Shah
Director
DIN: 00010933
New Delhi, April 21, 2018

Kishor Kumar Srivastava
Director
DIN: 01223908