Independent Auditor’s Report

To the Members of
Indiabulls Alternate Investments Limited

Report on the Audit of Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of “**Indiabulls Alternate Investments Limited”** (“the company”) which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations give to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, 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 principal generally accepted in India, of the state of affairs of the company as at March 31, 2019, the profit and total comprehensive income, change in equity and its cash flows for the year ended on that date.

Basis for opinion

We conduct our audit of the standalone 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 *Auditors Responsibilities for the Audit of Standalone 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 independence requirements that are relevant to our audit of the standalone 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of standalone financial statements of the current period. There matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information other than the Standalone Financial Statements and Auditor’s Report thereon

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprise the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board Report’s, Business Responsibility Report, Corporate Governance and shareholder’s Information, but does not include the standalone financial statements and our auditor’s report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, is doing so, consider whenever the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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 the fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act' 2013 ("the Act") with respect to the preparation of these standalone financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, cash flows and changes in equity of the Company in accordance with 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 estimate that are reasonable and prudent, and design implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

The board of directors are responsible for overseeing the Company's financial process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 financial 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 Section 143(11) of the Companies Act, 2013, we give in the **"Annexure A**" statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, based on our audit 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, Statement of Profit and Loss (including other comprehensive income), the statement of change in equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the 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, 2019 taken by Board of Directors, none of the director is disqualified as on March 31, 2019 from being appointed as directors 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**". Our report express an unmodified opinion on the adequacy and operative effectiveness of the Company's internal financial controls over financial reporting.

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

   i) The Company does not have any pending litigations which would impact its standalone 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 MRKS And Associates
Chartered Accountants
FRN: 023711n

Kamal Ahuja
(Partner)
M. No.: 505788
Place: New Delhi
Date: April 24, 2019

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Indiabulls Alternate Investments Limited of even date)

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

(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) As informed, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Consequently, the provisions of clause (iii)(a), (iii)(b) and (iii)(c) of the other are not applicable to the company.

(iv) The Company has been complied all the provisions of Section 185 and 186 in respect of loans, investments, guarantees, and security.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of directives issues by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Therefore, the provision of clause 3(v) of the Order is not applicable to the Company.

(vi) To the best of our knowledge and as explained, the Central Government has not specified maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for the products of the Company. Therefore, in our opinion, the provisions of clause 3(vi) of the order are not applicable to the company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, duty of Customs, duty of Excise, value added tax and cess and any other statutory dues to appropriate authority have generally been regularly deposited during the year by the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employee's State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess and other statutory dues were in arrears, as at March 31, 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, as at March 31, 2019, there are no dues of sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.

(viii) The Company has no dues in respect of a financial institution, bank, Government or debenture holders.

(ix) The Company has not raised any money by way of Initial Public Offer or further public offer (including debt instruments) and term loans.

(x) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year nor have been informed of such instances by the management.

(xi) The Company has not paid any managerial remuneration therefore the provision of Section 197 of Companies Act 2013 has not been applicable.

(xii) The company is not a Nidhi company, therefore the provisions of paragraph 3(xii) of the order is not applicable.

(xiii) According to the information and explanations given to us and on the basis of our examination of books of accounts, the company has not granted any loans secured or unsecured, to companies, firms and other parties listed in the Register maintained section 177 and 188 of companies Act 2013. Consequently, the provisions of the order are not applicable to the company.

(xiv) Company has not made any preferential allotment or private placement of Shares or fully or partly convertible debentures and hence reporting under clause (xiv) of order is not applicable to the Company.

(xv) Company has not entered into any non-cash transaction with directors or person connected with him and therefore the provisions of section 192 of the Companies Act' 2013 has been complied with.

(xvi) Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For MRKS And Associates
Chartered Accountants
FRN: 023711n

Kamal Ahuja
(Partner)
M. No.: 505788
Place: New Delhi
Date: April 24, 2019

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on other Legal and regulatory requirements' section of our report to the members of Indiabulls Alternate Investments Limited of even date)

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 Alternate Investments Limited, ("the Company")** as of March 31, 2019 in conjunction with our audit of the standalone 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 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 judgment, 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 with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS 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 standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS 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 with reference to Financial Statements and such internal financial controls with reference to financial reporting were operating effectively as at 31 March 2019, based on the 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 MRKS And Associates
Chartered Accountants
FRN: 023711n

Kamal Ahuja
(Partner)
M. No.: 505788
Place: New Delhi
Date: April 24, 2019

Indiabulls Alternate Investments Limited
Balance Sheet as at 31 March 2019
(All amounts in Rs. thousand unless stated otherwise)

	Note No.	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
I. ASSETS				
(1) Financial assets				
(a) Cash and cash equivalents	4	21,571.06	8,037.08	33,406.99
(b) Receivables				
(i) Trade receivables	5	-	15,515.98	5,114.91
(c) Investments	6	27,754.57	26,017.06	-
		49,325.63	49,570.12	38,521.90
(2) Non-financial assets				
(a) Current tax assets (net)	7	838.00	-	-
(b) Other non-financial assets	8	21,816.03	31,991.62	24,600.86
		22,654.03	31,991.62	24,600.86
TOTAL		**71,979.66**	**81,561.74**	**63,122.76**
II. LIABILITIES AND EQUITY				
Liabilities				
(1) Financial liabilities				
(a) Payables				
(I) Trade payables	9			
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other then micro enterprises and small enterprises		3,015.00	15.00	915.00
(b) Other financial liabilities	10	-	3.36	-
		3,015.00	18.36	915.00
(2) Non-financial Liabilities				
(a) Current tax liabilities (net)	11	-	2,462.73	2,404.06
(b) Deferred tax Liability (net)	12	802.13	296.17	-
(c) Other non-financial liabilities	13	729.00	5,901.50	3,648.51
		1,531.13	8,660.40	6,052.57
(3) Equity				
(a) Equity share capital	14	50,500.00	50,500.00	50,500.00
(b) Other equity	15	16,933.53	22,382.98	5,655.19
		67,433.53	72,882.98	56,155.19
TOTAL		**71,979.66**	**81,561.74**	**63,122.76**

The accompanying notes form an integral part of these financial statements

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

For MRKS and Associates
Chartered Accountants
Firm registration no: 023711N

For and on behalf of the Board of Directors

Kamal Ahuja
Partner
Membership No. 505788
Place : New Delhi
Date : 24 April 2019

Kishor Kumar Srivastava
Director
DIN: 01223908
Place : New Delhi
Date : 24 April 2019

Matbeer Singh Gosain
Director
DIN: 00347596

Riya Luthra
Company Secretary
PAN:-CIWPR8398L

Indiabulls Alternate Investments Limited
Statement of profit and loss for the year ended 31 March 2019
(All amounts in Rs. thousand unless stated otherwise)

		Note No.	For the year ended 31 March 2019	For the year ended 31 March 2018
I.	**Revenue from operations**			
	Interest income	16	2,437.84	2,607.12
	Fees and commission income	17	9,235.60	29,259.93
	Net gain on fair value changes	18	2,962.68	1,193.48
	Total revenue from operations		14,636.12	33,060.53
II.	Other income	19	3.99	-
III.	**Total revenue (I + II)**		**14,640.11**	**33,060.53**
IV.	**Expenses :**			
	Finance costs	20	263.69	422.21
	Fees and commission expense	21	10,363.85	9,383.98
	Employee benefits expense	22	-	227.52
	Other expenses	23	9,032.48	194.61
	Total expenses		**19,660.02**	**10,228.32**
V.	(Loss)/profit before exceptional items and tax (III-IV)		(5,019.91)	22,832.21
VI.	Exceptional items		-	-
VII.	(Loss)/profit before tax (V-VI)		**(5,019.91)**	**22,832.21**
VIII.	Tax expense/(benefit) :	24		
	Current tax		(76.42)	5,808.25
	Deferred tax		505.96	296.17
	Total tax expenses		429.54	6,104.42
IX.	**(Loss)/ profit for the year (VII-VIII)**		(5,449.45)	16,727.79
X.	Other comprehensive income		-	-
XI.	**Total comprehensive loss for the year (IX+X)**		(5,449.45)	16,727.79
XII.	**Earnings per equity share:**	25		
	Basic (Rs)		(1.08)	3.31
	Diluted (Rs)		(1.08)	3.31

The accompanying notes form an integral part of these financial statements

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

For MRKS and Associates
Chartered Accountants
Firm registration no: 023711N

For and on behalf of the Board of Directors

Kamal Ahuja
Partner
Membership No. 505788
Place : New Delhi
Date : 24 April 2019

Kishor Kumar Srivastava
Director
DIN: 01223908
Place : New Delhi
Date : 24 April 2019

Matbeer Singh Gosain
Director
DIN: 00347596

Riya Luthra
Company Secretary
PAN:-CIWPR8398L

Indiabulls Alternate Investments Limited
Cash Flow Statement for the year ended 31 March 2019
(All amounts in Rs. thousand unless stated otherwise)

		Year ended 31 March 2019	Year ended 31 March 2018
A	**Cash flow from operating activities :**		
	Net Profit/(Loss) before tax	(5,019.91)	22,832.21
	Adjustments for :		
	Interest expense on inter corporate deposits	-	162.59
	Gain on redemption of mutual funds	(1,225.17)	(176.42)
	Net gain on fair value changes	(1,737.51)	(1,017.06)
	Operating Profit/(Loss) before working capital changes	(7,982.59)	21,801.32
	Increase/decrease in:-		
	Increase/(decrease) in Other non-financial assets	10,175.59	(7,390.76)
	Increase/(decrease) Trade Payables	3,000.00	(900.00)
	(Decrease)/increase in Other financial liabilities	(3.36)	3.36
	Increase/(decrease) in Trade Receivables	15,515.98	(10,401.07)
	(Decrease)/increase in Other non-financial liabilities	(5,172.50)	2,252.99
	Cash generated from /(used in) operations	15,533.12	5,365.84
	Direct taxes paid (net)	(3,224.31)	(5,749.58)
	Net cash generated from/(used in) operating activities	**12,308.81**	**(383.74)**
B	**Cash flow from investing activities :**		
	Investments in Indiabulls India Opportunities Fund	-	(25,000.00)
	Net gain/(loss) on fair value changes	-	-
	Proceeds From Redemption Of Units Of Mutual Funds (Net)	1,225.17	176.42
	Net cash generated from/(used in) investing activities	**1,225.17**	**(24,823.58)**
C	**Cash flow from financing activities**		
	Interest paid on inter corporate deposits	-	(162.59)
	Net cash generated from/(used in) financing activities	**-**	**(162.59)**
D	**Net increase/(decrease) in cash and cash equivalents (A+B+C)**	**13,533.98**	**(25,369.91)**
E	**Cash and cash equivalents at the beginning of the year**	**8,037.08**	**33,406.99**
F	**Cash and cash equivalents at the close of the year (D + E)**	**21,571.06**	**8,037.08**

Note:

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

		31 March 2019	31 March 2018
2	Cash and cash equivalents as at the close of the year include:		
	Cash in hand	-	-
	Balances with banks:		
	- in current accounts	21,571.06	8,037.08
	Cash and cash equivalents at the end of the year	**21,571.06**	**8,037.08**

The accompanying notes form an integral part of these financial statements

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

For MRKS and Associates
Chartered Accountants
Firm registration no: 023711N

For and on behalf of the Board of Directors

Kamal Ahuja
Partner
Membership No. 505788
Date : 24 April 2019

Kishor Kumar Srivastava
Director
DIN: 01223908
Date : 24 April 2019

Matbeer Singh Gosain
Director
DIN: 00347596

Riya Luthra
Company Secretary
PAN:-CIWPR8398L

Indiabulls Alternate Investments Limited
Statement of changes in equity for the year ended 31 March 2019
(All amounts in Rs. thousand unless stated otherwise)

(A) Share capital

Particulars	Equity Shares	
	Number	Amount
Balance as at 1 April 2017	5,050,000	50,500.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2018	5,050,000	50,500.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2019	**5,050,000**	**50,500.00**

(B) Other equity

Particulars	Retained earnings	Total
Balance as at 1 April 2017	**5,655.19**	**5,655.19**
Profit during the year	16,727.79	16,727.79
Balance as at 31 March 2018	**22,382.98**	**22,382.98**
Loss during the year	(5,449.45)	(5,449.45)
Balance as at 31 March 2019	**16,933.53**	**16,933.53**

The accompanying notes form an integral part of these financial statements

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

For MRKS and Associates
Chartered Accountants
Firm registration no: 023711N

For and on behalf of the Board of Directors

Kamal Ahuja
Partner
Membership No. 505788
Place : New Delhi
Date : 24 April 2019

Kishor Kumar Srivastava
Director
DIN: 01223908
Place : New Delhi
Date : 24 April 2019

Matbeer Singh Gosain
Director
DIN: 00347596

Riya Luthra
Company Secretary
PAN:-CIWPR8398L

Note - 1
Company Overview:
Indiabulls Alternate Investments Limited ("IBAIL" or "the Company") was incorporated on 10 February 2016. The Company is engaged primarily in the business of raising or acquiring funds for and managing mutual funds, venture capital funds, offshore funds, pension funds, provident funds, insurance funds, alternative investment funds or any other funds.

Note - 2
2.1 - Basis of Preparation of Financial Statements:
The financial statements are prepared under the historical cost convention on an accrual basis in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for all the periods presented in these financial statements.

The financial statements upto and for the year ended 31 March 2018 were prepared in accordance with the accounting standard notified under Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). These financial statements for the year ended 31 March 2019 are the first which the company has prepared in accordance with Ind AS for the purpose of corresponding figures, set of financial statements for the year ended 31 March 2018 and opening balance sheet as at 1 April 2017 are also prepared under Ind AS.

The financial statements for the year ended 31 March 2019 were authorised and approved for issue by the Board of Directors on 24 April 2019.

2.2 - Historical cost convention
The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

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 recognised prospectively.

b) Revenue Recognition:
- Income from management fee is recognised on accrual basis.
- Income from interest is recognized on accrual basis.
- Income from fee based consultancy is recognised on an accrual basis.
- Dividend Income on units of Mutual Fund is recognized when the right to receive dividend is unconditionally established and any gains/losses are recognized on the date of redemption.

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 recognised 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 recognised for all taxable temporary differences. Deferred tax assets are generally recognised 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 utilised. Such deferred tax assets and liabilities are not recognised 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 realised, 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 recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

d) Property, plant and equipment
All property, plant and equipment are initially recognised 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 recognised is derecognised 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 derecognised.

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 capitalisation.

e) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation 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 amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

An intangible asset is derecognised 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 recognised in profit or loss when the asset is derecognised.

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 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.

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 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 recognised in the financial statements since this may result in the recognition of income that may never be realised.

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.

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 amortised cost.

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 recognised amounts and there is an intention to settle on a net basis or realise 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.

l) Recent accounting pronouncements

Ind AS 116 'Leases'

On 30 March 2019, Ministry of Corporate Affairs ('MCA') has clarified that Ind AS 116 is effective for annual periods beginning on or after 1 April 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendment to Ind AS 12, Income taxes

On 30 March 2019, Ministry of Corporate Affairs ("MCA") has notified Appendix C to Ind-AS 12 Income taxes – "Uncertainty over Income Tax Treatments". The amendment to Ind AS 12 requires the entities to consider recognition and measurement requirements when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognise and measure its current or deferred tax asset or liability accordingly. The effective date of amendment is 1 April 2019. Further, there has been amendments in relevant paragraphs in Ind-AS 12 "Income Taxes" which clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events in accordance with Ind-AS 109. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 19, Employee benefits

On 30 March 2019, Ministry of Corporate Affairs ("MCA") has issued an amendment to Ind AS 19 which requires the entities to determine current service cost using actuarial assumptions and net interest using discount rate determined at the start of the annual reporting period. However, if an entity re-measures the net defined benefit liability (asset) as per the requirement of the standard, it shall determine current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to re-measure the net defined benefit liability (asset). The effective date of amendment is 1 April 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 109, Financial instruments

On 30 March 2019, Ministry of Corporate Affairs ("MCA") issued an amendment to Ind-AS 109 in respect of prepayment features with negative compensation, which amends the existing requirements in Ind-AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. This amendment is effective for annual periods beginning on or after 1 April 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 23, Borrowing costs

On 30 March 2019, Ministry of Corporate Affairs ("MCA") issued an amendment to Ind-AS 23 "Borrowing Costs" clarifies that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings. This amendment is effective for annual periods beginning on or after 1 April 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

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Indiabulls Alternate Investments Limited
Notes to financial statements for the year ended 31 March 2019
(All amounts in Rs. thousand unless stated otherwise)

Note - 4

Cash and cash equivalents	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
Cash in hand	-	-	-
Balance with banks			
- in current accounts	21,571.06	8,037.08	33,406.99
	21,571.06	8,037.08	33,406.99

Note - 5

Trade receivables	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
Considered good			
- Unsecured	-	15,515.98	5,114.91
	-	15,515.98	5,114.91

Note - 6

Investments	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
Investments in opportunity fund (At FVTPL)			
Indiabulls India Opportunities Fund	27,754.57	26,017.06	-
	27,754.57	**26,017.06**	**-**

Note - 7

Current tax assets (net)	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
Advance income tax/tax deducted at source (Net of provision for tax 31 March 2019 : NIL; 31 March 2019 : NIL; 1 April 2017 : NIL)	838.00	-	-
	838.00	-	-

Note - 8

Other non-financial assets	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
(a) Prepaid expenses	20,189.75	30,553.60	22,958.22
(b) Balance with government authorities	1,626.28	1,438.02	1,642.64
	21,816.03	31,991.62	24,600.86

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(All amounts in Rs. thousand unless stated otherwise)

Note - 9

Trade payables	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
(a) Total outstanding due to micro enterprises and small enterprises (refer note-32)	-	-	-
(b) Total outstanding due to creditors other than micro enterprises and small enterprises	3,015.00	15.00	915.00
	3,015.00	15.00	915.00

Note - 10

Other financial liabilities	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
Other payable	-	3.36	-
	-	3.36	-

Note - 11

Current tax liabilities (net)	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
Provision for Taxation (Net of advance tax/tds 31 March 2019 :Nil; 31 March 2019 : Rs 6980.85 thousands; 1 April 2017 : Rs 1135.94 thousands)	-	2,462.73	2,404.06
	-	2,462.73	2,404.06

Note - 12

Deferred tax liability (net)	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
Deferred tax liability:			
Fair valuation of investments	802.13	296.17	-
Deferred tax liability (net)	802.13	296.17	-

Movement in deferred tax liability (For the year ended 31 March 2019)	**Net balance 1 April 2018**	**Recognised in profit and loss**	**Recognised in OCI**	**Net balance 31 March 2019**
Deferred tax assets:	-	-	-	-
Deferred tax liability:				
Fair valuation of investments	296.17	505.96	-	802.13
Deferred tax liability (net)	296.17	505.96	-	802.13

Movement in deferred tax liability (For the year ended 31 March 2018)	**Net balance 1 April 2017**	**Recognised in profit and loss**	**Recognised in OCI**	**Net balance 31 March 2018**
Deferred tax liability:				
Fair valuation of investments	-	296.17	-	296.17
Deferred tax liability (net)	-	296.17	-	296.17

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

Expiry financial year (as per Income tax Act)	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
Unused tax losses			
1 April 2026 - 31 March 2027	4,756.24	-	-
	4,756.24	-	-

Note - 13

Other non-financial liabilities	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
Deferred income	-	3,293.49	3,648.51
Statutory liabilities	729.00	2,608.01	-
	729.00	5,901.50	3,648.51

(All amounts in Rs. thousand unless stated otherwise)

Note - 14

Equity share capital	**As at 31 March 2019**		**As at 31 March 2018**		**As at 01 April 2017**	
	No. of shares	**Amount**	**No. of shares**	**Amount**	**No. of shares**	**Amount**
Authorised						
Equity shares of face value of Rs. 10 each	10,000,000	100,000.00	10,000,000	100,000.00	10,000,000	100,000.00
	10,000,000	**100,000.00**	**10,000,000**	**100,000.00**	**10,000,000**	**100,000.00**
Issued, subscribed and fully paid up						
Equity Shares of face value of Rs. 10 each fully paid up	5,050,000	50,500.00	5,050,000	50,500.00	5,050,000	50,500.00
	5,050,000	**50,500.00**	**5,050,000**	**50,500.00**	**5,050,000**	**50,500.00**

(i) The Company has only one class of Equity Shares having a face value of Rs. 10 per share. Each holder of 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.

(ii) 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.

(iii) Reconciliation of shares outstanding at the beginning and at the end of the reporting year :

Equity shares, fully paid-up	**As at 31 March 2019**		**As at 31 March 2018**	
	No. of shares	**Amount**	**No. of shares**	**Amount**
Balance at the beginning of the year	5,050,000	50,500.00	5,050,000	50,500.00
Changes during the year	-	-	-	-
Outstanding at the end of the year	**5,050,000**	**50,500.00**	**5,050,000**	**50,500.00**

(v) Shares held by Shareholders holding more than 5% shares

Equity shares, fully paid-up	**As at 31 March 2019**		**As at 31 March 2018**	
	No. of shares held	**% of Holding**	**No. of shares held**	**% of Holding**
Equity Share of face value of Rs.10 each fully paid up				
Indiabulls Distribution Services Limited and its nominees	5,050,000	100%	5,050,000	100%
	5,050,000	**100%**	**5,050,000**	**100%**

Note - 15
Other equity

	As at 31 March 2019	**As at 31 March 2018**	**As at 01 April 2017**
Retained earnings	16,933.53	22,382.98	5,655.19
	16,933.53	**22,382.98**	**5,655.19**

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Indiabulls Alternate Investments Limited
Notes to financial statements for the year ended 31 March 2019
(All amounts in Rs. thousand unless stated otherwise)

Note - 16

Interest income	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
On financial assets measured at FVTPL -		
Interest income from investments		
- Investments in opportunity fund	2,437.84	2,607.12
Total	2,437.84	2,607.12

Note - 17

Fees and commission income	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Management Fee	5,185.60	19,259.93
Consultancy fees	4,050.00	10,000.00
Total	9,235.60	29,259.93

Note - 18

Net gain on fair value changes	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
(A) Net gain on financial instruments at fair value through profit and loss account :-		
(a) Gain on redemption of mutual funds	1,225.17	176.42
(b) Gain on fair valuation of opportunity funds	1,737.51	1,017.06
Total Net gain on fair value changes	2,962.68	1,193.48
Gain on redemption of mutual funds-realised	1,225.17	176.42
Gain on fair valuation of opportunity funds-unrealised	1,737.51	1,017.06

Note - 19

Other income	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Miscellaneous income	3.99	-
Total	3.99	-

Note - 20

Finance costs	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
On financial liabilities measured at amortised Cost -		
Interest on deposits		
- Interest on inter-corporate deposits	-	162.59
Other interest expense		
- Interest on Taxes	263.69	259.62
Total	263.69	422.21

Note - 21

Fees and commission expense	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Commission	10,363.85	9,383.98
Total	10,363.85	9,383.98

Note - 22

Employee benefits expense	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Salaries and wages	-	227.52
Total	-	227.52

Note - 23

Other expenses	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Repairs and maintenance - others	-	1.20
Auditor's remuneration		
- as statutory auditor*	15.00	82.50
Legal and professional charges	8,867.37	75.00
Travelling and conveyance	40.00	-
Rates and taxes	109.26	30.66
Bank Charges	0.35	5.25
Miscellaneous expenses	0.50	-
	9,032.48	194.61
* Auditor's remuneration		
As auditor	15.00	15.00
For certification	-	67.50

Note - 24

Tax expenses	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
A. The major components of income tax expense for the year as under:		
Income tax recognised in profit & loss accounts -		
Current tax	-	6,082.02
Minimum alternate tax credit entitlement	-	-
Income tax of earlier years	(76.42)	(273.77)
Deferred tax	505.96	296.17
	429.54	**6,104.42**
B. Reconciliation of tax expense and the accounting profit for the year as under:		
Accounting profit before tax	**(5,019.91)**	**22,832.21**
Income tax rate	26.00%	27.55%
Expected tax expenses	(1,305.18)	6,290.84
Tax impact of earlier year items	(76.42)	(273.77)
Tax losses on which no deferred tax was recognised	1,688.37	-
Tax impact of expenses which will not be allowed	68.56	71.40
Tax impact of difference in tax rate on certain items	54.21	15.94
Income rax expenses recognised in profit & loss account	**429.54**	**6,104.42**

Note - 25
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 2019	**For the year ended 31 March 2018**
Net Profit(Loss) available for Equity Shareholders (Rs.thousands)	(5,449.45)	16,727.79
Nominal Value of Equity Shares – (Rs.)	10	10
Weighted average number of Equity Shares used for computing Basic and Diluted earnings per share	5,050,000	5,050,000
Earnings Per Share – Basic & Diluted (Rs.)	(1.08)	3.31

(All amounts in Rs. thousand unless stated otherwise)

Note 26
Financial instruments

A Financial assets and liabilities

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

Particulars	Note	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Financial assets measured at fair value				
Investments* measured at				
(i) Fair value through profit and loss	Note - 6	27,754.57	26,017.06	-
Financial assets measured at amortised cost				
Cash and cash equivalents	Note - 4	21,571.06	8,037.08	33,406.99
Trade receivables	Note - 5	-	15,515.98	5,114.91
Total		**49,325.63**	**49,570.12**	**38,521.90**
Financial liabilities measured at amortised cost				
Trade payables	Note - 9	3,015.00	15.00	915.00
Other financial liabilities	Note - 10	-	3.36	-
Total		**3,015.00**	**18.36**	**915.00**

B Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the consolidated financial statements and are grouped into three Levels of a fair value hierarchy. 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 Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31 March 2019	Period	Level 1	Level 2	Level 3	Total
Financial assets					
Investments at fair value through profit and loss					
Opportunity fund	31 March 2019	27,754.57	-	-	**27,754.57**
	31 March 2018	26,017.06	-	-	**26,017.06**
	1 April 2017	-	-	-	**-**

B.2 Fair value of instruments measured at amortised cost

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

Particulars	As at 31 March 2019		As at 31 March 2018		As at 1 April 2017	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial assets						
Cash and cash equivalents	21,571.06	21,571.06	8,037.08	8,037.08	33,406.99	33,406.99
Trade receivables	-	-	15,515.98	15,515.98	5,114.91	5,114.91
Total	**21,571.06**	**21,571.06**	**23,553.06**	**23,553.06**	**38,521.90**	**38,521.90**
Financial liabilities						
Trade payables	3,015.00	3,015.00	15.00	15.00	915.00	915.00
Other financial liabilities	-	-	3.36	3.36	-	-
Total	**3,015.00**	**3,015.00**	**18.36**	**18.36**	**915.00**	**915.00**

The management assessed that fair values of cash and cash equivalents, trade receivables and trade payables approximate their respective carrying amounts, largely due to the short-term maturities of these instruments.

Note 27
Financial risk management

i) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. 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.

(All amounts in Rs. thousand unless stated otherwise)

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, investments, trade receivables	Ageing analysis	Highly rated bank deposits and diversification of asset base and collaterals taken for assets
Liquidity risk	Trade payables and other financial liabilities	Cash flow forecasts	Committed borrowing and other credit facilities and sale of loan assets (whenever required)
Market risk - foreign exchange	Financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract/hedging, if required
Market risk - interest rate	Variable rates borrowings and debt securities	Sensitivity analysis	Negotiation of terms that reflect the market factors
Market risk - security price	Investments in equity securities	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

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.

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, investments, loan assets, trade receivables and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

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. 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

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, other bank balances, investments, loans, trade receivables and other financial assets	12 month expected credit loss

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 recognised in statement of profit and loss.

Financial assets that expose the entity to credit risk*

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
(i) **Low credit risk**			
Cash and cash equivalents	21,571.06	8,037.08	33,406.99
Trade receivables	-	15,515.98	5,114.91

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

Cash and cash equivalents

Credit risk related to cash and cash equivalents is managed by only accepting highly rated banks and diversifying accounts in different banks across the country.

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 recognised in statement of profit and loss.

Trade receivables

Credit risk related to trade receivables is managed by monitoring the recoverability of such amounts continuously.

b) Credit risk exposure

i) Expected credit losses for financial assets

As at 31 March 2019	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	21,571.06	-	21,571.06
Trade receivables	-	-	-

As at 31 March 2018	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	8,037.08	-	8,037.08
Trade receivables	15,515.98	-	15,515.98

As at 1 April 2017	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	33,406.99	-	33,406.99
Trade receivables	5,114.91	-	5,114.91

c) Concentration of trade receivables

The Company's exposure to credit risk for trade receivables is presented as below.

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Individual	-	-	-
Corporate	-	15,515.98	5,114.91
Others	-	-	-
Total	**-**	**15,515.98**	**5,114.91**

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.

(ii) Maturities of financial assets and liabilities

The tables below analyse 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 2019	Less than 1 year	1-3 year	More than 3 years	Total
Financial assets				
Cash and cash equivalent and other bank balances	21,571.06	-	-	**21,571.06**
Trade receivables	-	-	-	**-**
Loans	-	-	-	**-**
Investments	-	-	27,754.57	**27,754.57**
Other financial assets	-	-	-	**-**
Total undiscounted financial assets	**21,571.06**	**-**	**27,754.57**	**49,325.63**
Financial liabilities				
Trade payables	3,015.00	-	-	**3,015.00**
Other financial liabilities	-	-	-	**-**
Total undiscounted financial liabilities	**3,015.00**	**-**	**-**	**3,015.00**
Net undiscounted financial assets/(liabilities)	**18,556.06**	**-**	**27,754.57**	**46,310.63**

As at 31 March 2018	Less than 1 year	1-3 year	More than 3 years	Total
Financial assets				
Cash and cash equivalent and other bank balances	8,037.08	**-**	**-**	**8,037.08**
Trade receivables	15,515.98	**-**	**-**	**15,515.98**
Investments	-	**-**	26,017.06	**26,017.06**
Total undiscounted financial assets	**23,553.06**	**-**	**26,017.06**	**49,570.12**
Financial liabilities				
Trade payables	15.00	**-**	**-**	**15.00**
Other financial liabilities	3.36	**-**	**-**	**3.36**
Total undiscounted financial liabilities	**18.36**	**-**	**-**	**18.36**
Net undiscounted financial assets/(liabilities)	**23,534.70**	**-**	**26,017.06**	**49,551.76**

(All amounts in Rs. thousand unless stated otherwise)

As at 1 April 2017	Less than 1 year	1-3 year	More than 3 years	Total
Financial assets				
Cash and cash equivalent and other bank balances	33,406.99	-	-	**33,406.99**
Trade receivables	5,114.91	-	-	**5,114.91**
Total undiscounted financial assets	**38,521.90**	-	-	**38,521.90**
Financial liabilities				
Trade payables	915.00	-	-	**915.00**
Total undiscounted financial liabilities	**915.00**	-	-	**915.00**
Net undiscounted financial assets/(liabilities)	**37,606.90**	-	-	**37,606.90**

C) Market risk

a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. To mitigate the Company's exposure to foreign currency risk, non-rupee cash flows are monitored and forward exchange contracts are entered into in accordance with the Company's risk management policies. The Company has not hedged its foreign currency receivables and payables.

b) Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2019 the company did not have any debt securities and other borrowings and accordingly the Company do not have any exposure to interest rate risk.

ii) Assets

The Company's fixed deposits are carried at amortised 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) Derivative financial instrument

The Company has not entered into any derivative instruments during the year. There are no foreign currency exposures as at 31 March 2019 (31 March 2018 Nil; 1 April 2017 Nil).

d) 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.

Note -28

Capital management

The Company's capital management objectives are
- to ensure the Company's ability to continue as a going concern
- to cmply with externally imposed capital requirement and maintain strong credit ratings
- 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 2019	As at 31 March 2018	As at 1 April 2017
Net debt*	-	-	-
Total equity	67,433.53	72,882.98	56,155.19
Net debt to equity ratio	-	-	-

The company does not have any borrowings/debt securities as at 31 March 2019; 31 March 2018 and 1 April 2017.

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(All amounts in Rs. thousand unless stated otherwise)

Note - 29
Maturity analysis of assets and liabilities
The table shows an analysis of assets and liabilities analysed according to when the are expected to be recovered or settled.

	As at 31 March 2019		As at 31 March 2018		As at 01 April 2017	
Assets	**Within 12 months**	**After 12 months**	**Within 12 months**	**After 12 months**	**Within 12 months**	**After 12 months**
Financial assets						
Cash and cash equivalents	21,571.06	-	8,037.08	-	33,406.99	-
Bank balances other than cash and cash equivalents	-	-	-	-	-	-
Trade receivables	-	-	15,515.98	-	5,114.91	-
Loans						
Investments	-	27,754.57	-	26,017.06	-	-
Other financial assets						
	21,571.06	**27,754.57**	**23,553.06**	**26,017.06**	**38,521.90**	**-**
Non-financial assets						
Current tax assets (net)	838.00	-	-	-	-	-
Deferred tax assets (net)						
Property, plant and equipment						
Intangible assets						
Other non-financial assets	21,816.03		31,991.62		24,600.86	
	22,654.03	**-**	**31,991.62**	**-**	**24,600.86**	**-**
Total assets	**44,225.09**	**27,754.57**	**55,544.68**	**26,017.06**	**63,122.76**	**-**
Liabilities and Equity						
Liabilities						
Financial liabilities						
Trade payables						
(i) total outstanding dues of micro enterprises and sma	-					
(ii) total outstanding dues of creditors other than micr	3,015.00		15.00		915.00	
Borrowings other than debt securities						
Other financial liabilities	-		3.36		-	
	3,015.00	**-**	**18.36**	**-**	**915.00**	**-**
Non-financial liabilities						
Current tax liabilities (net)	-		2,462.73		2,404.06	
Deferred tax Liability (net)	-	802.13	-	296.17	-	
Other non-financial liabilities	729.00		5,901.50		3,648.51	
	729.00	**802.13**	**8,364.23**	**296.17**	**6,052.57**	**-**
Total liabilities	**3,744.00**	**802.13**	**8,382.59**	**296.17**	**6,967.57**	**-**
Net	**40,481.09**	**26,952.44**	**47,162.09**	**25,720.89**	**56,155.19**	**-**

(This space has been intentionally left blank)

(All amounts in Rs. thousand unless stated otherwise)

Note - 30

As per the best estimate of the management, no provision is required to be made as per Accounting Standard 37 (Ind AS 37) - Provisions, Contingent Liabilities and Contingent Assets in accordance with the Indian Accounting Standards (Ind AS) notified 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.

Note - 31

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 2019 (31 March 2018 : Nil; 01 April 2017: Nil)

Note - 32

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

Particulars	**As at 31 March 2019**	**As at 31 March 2018**
(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 - 33

There are no capital or other commitments to be reported as at 31 March 2019 (31 March 2018 : Nil; 01 April 2017: Nil)

Note - 34

There are no borrowing costs to be capitalised as at 31 March 2019 (31 March 2018 : Nil; 01 April 2017: Nil)

Note - 35

Operating Segments

Considering the nature of Company's business and operations and based on the information available with the management, there is/are no reportable segments (business and/or geographical) in accordance with the requirements of Indian Accounting Standard (Ind AS) – 108 on Segment Reporting in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended). Hence, no further disclosures are required in respect of reportable segments, under Ind AS 108, other than those already provided in the financial statements.

Note - 36

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:

Description of relationship	**Name of the Party**
Ultimate Holding Company	Indiabulls Ventures Limited
Holding Company	Indiabulls Distribution Services Limited
Fellow Subsidiary Companies (including step down subsidiaries)	Indiabulls Consumer Finance Limited (Formerly known as IVL Finance Limited Limited)
	Astilbe Builders Limited (upto 08 March 2019)*
	Astraea Constructions Limited (upto 08 March 2019)*
	Silenus Buildtech Limited (upto 08 March 2019)*
	Arbutus Constructions Limited
	Gyansagar Buildtech Limited
	Pushpanjli Fincon Limited
	Pushpanjli Finsolutions Limited
	Devata Tradelink Limited
	Indiabulls Investment Advisors Limited (Formerly known as Indiabulls Brokerage Limited)
	Indiabulls Securities limited (Formerly known as Indiabulls Commodities Limited)
	Auxesia Soft Solutions Limited
	India Ethanol and Sugar Limited (upto 08 March 2019)*
	Positive Housings Private Limited (upto 30 March 2018)
	Indiabulls Consumer Products Limited
	Indiabulls Asset Reconstruction Company Limited
	Indiabulls Logistics Limited (upto 08 March 2019)*
	Indiabulls Infra Resources Limited

* Dissolved and stuck off from the Register of Companies pursuant to section 248(5) of the Act on 8th March 2019

Note - 36
Related party disclosures (continued)

(b) Other related parties:

Key Management Personnel	Mr. Matbeer Singh Gosain, Director
	Mr. Kishor Kumar Srivastava, Director
	Mr. Mithun Madhukar, Director (upto January 15, 2018)
	Mr. Gagan Banga, Director (upto September 1, 2017)
	Mr. Swapnil Eknath Chikne, Director (w.e.f January 18, 2018)
	Mr. Sameer Gehlaut , Individual exercising significant influence
	Mr. Divyesh B Shah, Chief Executive Officer and Whole Time Director of Indiabulls Ventures Limited

(c) Significant Transactions with Related Parties during the year ended 31 March 2019:

Particulars	Holding Company	
	For the year ended 31 March 2019	**For the year ended 31 March 2018**
Finance		
Inter corporate deposit taken (Maximum balance outstanding during the year)	-	-
Indiabulls Distribution Services Limited	-	7,000.00
Interest expenses		
Indiabulls Distribution Services Limited	-	162.59

(d) Outstanding as at 31 March 2019 Nil (31 March 2018 : Nil; 01 April 2017: Nil)

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 - 37
Expenditure in foreign currency

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Commission expenses *	-	1,004.53
Total	**-**	**1,004.53**

* Commision expenses is recognised in statement of Profit and Loss Account on accrual basis.

Note - 38
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 2019 (31 March 2018 : Nil; 01 April 2017: Nil)

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(All amounts in Rs. thousand unless stated otherwise)

Note - 39

A Explanation of transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ending 31 March 2019, the comparative information presented in these financial statements for the year ended 31 March 2018 and in the preparation of an opening Ind AS balance sheet at 1 April 2017 (the Company's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Reconciliation of assets and liabilities presented in the balance sheet prepared as per previous GAAP and as per Ind AS as at 31 March 2018

	Particulars	Note	As at 31 March 2018		
			Previous GAAP*	Effect of transition to Ind AS	Ind AS
Assets					
Financial assets					
(a)	Cash and cash equivalents		8,037.08	-	8,037.08
(b)	Receivables		-	-	-
	(i) Trade receivables		15,515.98		15,515.98
	(ii) Other receivables		-	-	-
(c)	Investments		25,000.00	1,017.06	26,017.06
	Total financial assets		**48,553.06**	**1,017.06**	**49,570.12**
Non-financial assets					
(a)	Current tax assets (net)		-	-	-
(b)	Other non-financial assets		31,991.62	-	31,991.62
	Total non financial assets		**31,991.62**	**-**	**31,991.62**
	Total assets		**80,544.68**	**1,017.06**	**81,561.74**
Liabilities					
Financial liabilities					
(a)	Payables				
(I)	Trade payables				
	(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
	(ii) total outstanding dues of creditors other then micro enterprises and small enterprises		15.00	-	15.00
(b)	Other financial liabilities		3.36	-	3.36
	Total financial liabilities		18.36	-	18.36
				-	
Non-financial Liabilities					
(a)	Current tax liabilities (net)		2,462.73	-	2,462.73
(b)	Deferred tax Liability (net)		-	296.17	296.17
(c)	Other non-financial liabilities		5,901.50	-	5,901.50
	Total non-financial liabilities		8,364.23	296.17	8,660.40
				-	
Equity				-	
(a)	Equity share capital		50,500.00	-	50,500.00
(b)	Other equity		21,662.09	720.89	22,382.98
	Total equity		**72,162.09**	**720.89**	**72,882.98**
	Total liabilities and equity		**80,544.68**	**1,017.06**	**81,561.74**

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

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Indiabulls Alternate Investments Limited
Notes to financial statements for the year ended 31 March 2019
(All amounts in Rs. thousand unless stated otherwise)

Reconciliation of assets and liabilities presented in the balance sheet prepared as per previous GAAP and as per Ind AS as at 1 April 2017

	Particulars	Note	As at 1 April 2017		
			Previous GAAP*	**Effect of transition to Ind AS**	**Ind AS**
Assets					
Financial assets					
(a)	Cash and cash equivalents		33,406.99	-	33,406.99
(b)	Receivables		-	-	-
	(i) Trade receivables		5,114.91		5,114.91
	Total financial assets		**38,521.90**	**-**	**38,521.90**
Non-financial assets					
(a)	Current tax assets (net)		-	-	-
(b)	Other non-financial assets		24,600.86	-	24,600.86
	Total non financial assets		**24,600.86**	**-**	**24,600.86**
	Total assets		**63,122.76**	**-**	**63,122.76**
Liabilities					
Financial liabilities					
(a)	Payables				
(I)	Trade payables				
	(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
	(ii) total outstanding dues of creditors other then micro enterprises and small enterprises		915.00		915.00
(b)	Other financial liabilities		-	-	-
	Total financial liabilities		915.00	-	915.00
				-	
Non-financial Liabilities					
(a)	Current tax liabilities (net)		2,404.06		2,404.06
(b)	Deferred tax Liability (net)		-	-	-
(c)	Other non-financial liabilities		3,648.51	-	3,648.51
	Total non-financial liabilities		6,052.57	-	6,052.57
				-	
Equity				-	
(a)	Equity share capital		50,500.00	-	50,500.00
(b)	Instruments entirely equity in nature		-	-	-
(b)	Other equity		5,655.19	-	5,655.19
	Total equity		**56,155.19**	**-**	**56,155.19**
	Total liabilities and equity		**63,122.76**	**-**	**63,122.76**

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

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(All amounts in Rs. thousand unless stated otherwise)

Reconciliation of total comprehensive income presented in the statement of profit and loss prepared as per previous GAAP and as per Ind AS for the year ended 31 March 2018

Particulars	Note	Previous GAAP*	Effect of transition to Ind AS	Ind AS
I. Revenue from operations				
Interest income		2,607.12	-	2,607.12
Fees and commission income		29,259.93	-	29,259.93
Net gain on fair value changes		176.42	1,017.06	1,193.48
Total revenue from operations		32,043.47	1,017.06	33,060.53
II. Other income		-	-	-
III. Total revenue (I + II)		32,043.47	1,017.06	33,060.53
IV. Expenses :				
Finance costs		422.22	-	422.22
Fees and commission expense		9,383.98	-	9,383.98
Employee benefits expense		227.52	-	227.52
Other expenses		194.60	-	194.60
Total expenses		10,228.32	-	10,228.32
				-
V. (Loss)/profit before exceptional items and tax (III-IV)		21,815.15	1,017.06	22,832.21
VI. Exceptional items		-		-
VII (Loss)/profit before tax (V-VI)		21,815.15	1,017.06	22,832.21
VII Tax expense/(benefit) :				
Current tax		5,808.25	-	5,808.25
Deferred tax		-	296.17	296.17
		5,808.25	296.17	6,104.42
				-
IX. (Loss)/ profit for the year (VII-VIII)		16,006.90	720.89	16,727.79
X. Other comprehensive income		-	-	-
XI.				
Total comprehensive loss for the year (IX+X)		16,006.90	720.89	16,727.79

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

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(All amounts in Rs. thousand unless stated otherwise)

B) Ind AS mandatory exceptions

1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

IndAS estimates as at 1 April 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

a) Investment in equity instruments carried at FVTPL or FVOCI
b) Impairment of financial assets based on expected credit loss model

2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition. Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

C Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile total equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

1 Reconciliation of total equity as at 31 March 2018 and 1 April 2017

	As at 31 March 2018	As at 1 April 2017
Total equity (shareholder's funds) as per previous GAAP	**72,162,091**	**56,155,192**
Adjustments:		
Fair valuation of investments	1,017,063	-
Deferred tax impact	(296,169)	-
Total adjustments	**720,894**	**-**
Total equity as per Ind AS	**72,882,985**	**56,155,192**

2 Reconciliation of total comprehensive income for the year

	For the year ended 31 March 2018
Profit after tax as per previous GAAP	**16,006,899**
Adjustments:	
Fair valuation of investments	1,017,063
Deferred tax impact	(296,169)
Total adjustments	**720,894**
Profit after tax as per Ind AS	**16,727,793**
Re-measurement (loss)/gain on defined benefit plans	-
Income tax relating to remeasurement on defined benefit plans	-
Change in fair value of equity instrument carried at fair value through other comprehensive income	-
Income tax relating to equity instrument carried at fair value through other comprehensive income	-
Total comprehensive income as per Ind AS	**16,727,793**

3 Impact of Ind AS adoption on statement of cash flows for the year ended on 31 March 2018:

Particulars	Previous GAAP*	Adjustments	Ind AS
Net cash flow from operating activity	(383.74)	-	(383.74)
Net cash flow from investing activity	(24,823.58)	-	(24,823.58)
Net cash flow from financing activity	(162.59)	-	(162.59)
Net increase/(decrease) in cash and cash equivalent	**(25,369.91)**	**-**	**(25,369.91)**
Cash and cash equivalent as at 1 April 2017	33,406.99	-	33,406.99
Cash and cash equivalent as at 31 March 2018	**8,037.08**	**-**	**8,037.08**

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

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(All amounts in Rs. thousand unless stated otherwise)

Notes to first time adoption

1 Fair valuation of investment

Under previous GAAP, investments are shown at cost. Under Ind AS, such instruments are too be evaluated under Ind AS 109 which requires the Company to account for such instruments either at amortised cost or fair value. Ind AS requires the Company to record the fair value gains or (losses) in case of fair value instrument through FVPL. Accordingly as at 1 April 2017 'Investments' has been increased with a corresponding adjustment to profit and loss account.

2 Tax impact on adjustments

Retained earnings and statement of profit and loss has been adjusted consequent to the Ind AS transition adjustments with corresponding impact to deferred tax, wherever applicable.

3 Retained earnings

Retained earnings as at 1 April 2017 has been adjusted consequent to the above Ind AS transition adjustments.

As per our report of even date

For MRKS and Associates	For and on behalf of the Board of Directors		
Chartered Accountants			
Firm registration no: 023711N			
Kamal Ahuja	**Kishor Kumar Srivastava**	**Matbeer Singh Gosain**	**Riya Luthra**
Partner	Director	Director	Company Secretary
Membership No. 505788	DIN: 01223908	DIN: 00347596	PAN:-CIWPR8398L
Place : New Delhi	Place : New Delhi		
Date : 24 April 2019	Date : 24 April 2019		