INDEPENDENT AUDITOR'S REPORT

To the Members of

Indiabulls Investment Advisors Limited

(formerly Indiabulls Brokerage Limited)

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of Indiabulls Investment Advisors Limited (formerly Indiabulls Brokerage Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

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

Information Other than the Ind AS 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 comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the Financial Statements and our auditor's report thereon.

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

Management's Responsibility for the Ind AS Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS 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.

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

(d) In our opinion, the aforesaid Ind AS 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 on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

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

(g) In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provided any remuneration to its directors during the year ended March 31, 2019;

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

i) The Company does not have any pending litigations which would impact its financial position.

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There here were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Ajay Sardana
Partner
Membership No.089011
New Delhi, April 24, 2019

Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Investment Advisors Limited (formerly Indiabulls Brokerage Limited) for the year ended March 31, 2019

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

(i) ln respect of its Fixed Assets:

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

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

(c) The Company does not own immovable properties.

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

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

(iv) According to information and explanations given to us, the Company has not entered into transactions in respect of loans, investments, guarantees and security, covered under section 185 and 186 of the Companies Act, 2013.

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

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

(vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities, to the extent applicable to it. There are no arrears of outstanding statutory dues as at March 31, 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, the Company did not have any dues of income tax or sales tax or goods and service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.

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

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

(x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers/ employees has been noticed or reported during the year.

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

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

(xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 to the extent applicable and the details have been disclosed in Note 43 to the Financial Statements as required by the accounting standards and Companies Act, 2013.

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

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

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

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

Ajay Sardana
Partner
Membership No.089011
New Delhi, April 24, 2019

Annexure B to the Independent Auditor's Report of even date on the Ind AS Financial Statements of Indiabulls Investment Advisors Limited (formerly Indiabulls Brokerage Limited) for the year ended March 31, 2019

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

We have audited the internal financial controls over financial reporting of Indiabulls Investment Advisors Limited (formerly Indiabulls Brokerage Limited) ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Ind AS Financial Statements and such internal financial controls over financial reporting with reference to these Ind AS Financial Statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Ajay Sardana
Partner
Membership No.089011
New Delhi, April 24, 2019

Indiabulls Investment Advisors Limited
(formerly known as Indiabulls Brokerage Limited)
Balance Sheet as at 31 March 2019
(All amounts in Rs. Lakhs unless stated otherwise)

	Note	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Assets				
Non-current assets				
Property, plant and equipment	4(a)	229.57	121.97	11.63
Intangible assets	4(b)	74.36	6.86	-
Financial assets				
Loans	5	2,501.65	2,979.71	-
Trade receivables	6	4,957.61	3,822.43	-
Other financial assets	7	10,089.86	12,044.06	-
Deferred tax assets(net)	8	829.95	660.49	3.07
Other non-current assets	9	16.15	13.02	-
Total non-current assets		**18,699.15**	**19,648.54**	**14.70**
Current assets				
Financial assets				
Trade receivables	10	2,876.16	869.36	-
Cash and cash equivalents	11	1,614.78	12.72	5.41
Loans	12	-	-	475.00
Current tax assets (net)	13	199.65	223.37	-
Other current assets	14	245.54	131.36	2.22
Total current assets		**4,936.13**	**1,236.81**	**482.63**
Total assets		**23,635.28**	**20,885.35**	**497.33**
Equity and liabilities				
Equity				
Equity share capital	15	550.00	550.00	550.00
Other equity	16	(1,449.72)	(453.46)	(61.49)
Total equity		**(899.72)**	**96.54**	**488.51**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	17	9.65	13.41	-
Other financial liabilities	18	-	150.00	-
Provisions	19	284.93	33.18	4.59
Total non-current liabilities		**294.58**	**196.59**	**4.59**
Current liabilities				
Financial liabilities				
Borrowings	20	22,988.44	15,229.00	-
Other financial liabilities	21	3.86	4,915.90	-
Other current liabilities	22	595.55	443.80	0.62
Provisions	23	652.57	0.92	0.14
Current tax liabilities (net)	24	-	2.60	3.47
Total current liabilities		**24,240.42**	**20,592.22**	**4.23**
Total equity and liabilities		**23,635.28**	**20,885.35**	**497.33**

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

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

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

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No. 089011
New Delhi: 24 April 2019

Satish Chand
Director
DIN: 00473988
New Delhi: 24 April 2019

Vaseem Raja
Director
DIN: 07709789

Ram Mehar Garg
Company Secretary
AKJPM3656K

Indiabulls Investment Advisors Limited
(formerly known as Indiabulls Brokerage Limited)
Statement of profit and loss for the year ended 31 March 2019
(All amounts in Rs. Lakhs unless stated otherwise)

		Note	For the year ended 31 March 2019	For the year ended 31 March 2018
I	Revenue from operations	25	6,579.60	6,682.51
II	Other income	26	390.72	69.07
III	**Total revenue (I+II)**		**6,970.32**	**6,751.58**
IV	**Expenses**			
	Employee benefits expenses	27	3,743.45	2,715.94
	Finance costs	28	1,794.94	240.43
	Depreciation and amortisation expense	4(a)	58.80	17.46
	Other expenses	29	2,573.42	4,317.66
	Total expenses (IV)		**8,170.61**	**7,291.49**
V	**Loss before exceptional items and tax (III-IV)**		**(1,200.29)**	**(539.91)**
VI	**Exceptional items**		-	-
VII	**Loss before tax (V-VI)**		**(1,200.29)**	**(539.91)**
VIII	Tax expense	30		
	Current tax		-	489.90
	Earlier year's tax expense		(1.25)	(0.01)
	Deferred tax		(176.55)	(651.62)
	Total tax expense		**(177.80)**	**(161.73)**
IX	**Loss for the year from continuing operations (VII-VIII)**		**(1,022.49)**	**(378.18)**
X	**Profit/(loss) from discontinued operations**		-	-
XI	**Tax expenses of discontinued operations**		-	-
XII	**Profit/(loss) from discontinued operations after tax (X-XI)**		-	-
XIII	**Loss for the year (IX+XII)**		**(1,022.49)**	**(378.18)**
XIV	**Other comprehensive income**			
	(A) Items that will not be reclassified to profit or loss			
	Re-measurement gain/(loss) on defined benefit plans		24.38	(19.93)
	Income tax relating to items that will not be reclassified to profit and loss		(7.10)	5.80
	Subtotal (A)		**17.28**	**(14.13)**
	(B) Items that will be reclassified to profit or loss		-	-
	Subtotal (B)		-	-
	Total other comprehensive income/(loss) (A+B)		**17.28**	**(14.13)**
XV	**Total comprehensive income/(loss) for the year (XIII+XIV)**		**(1,005.21)**	**(392.31)**
XVI	**Earnings per equity share :**	**31**		
	(1) Basic (Rs)		(18.59)	(6.88)
	(2) Diluted (Rs)		(18.59)	(6.88)
	(3) Face Value per share (Rs)		10.00	10.00

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

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

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

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No. 089011
New Delhi: 24 April 2019

Satish Chand
Director
DIN: 00473988

Vaseem Raja
Director
DIN: 07709789

Ram Mehar Garg
Company Secretary
AKJPM3656K

New Delhi: 24 April 2019

Indiabulls Investment Advisors Limited
(formerly known as Indiabulls Brokerage Limited)
Cash Flow Statement for the year ended 31 March 2019
(All amounts in Rs. Lakhs unless stated otherwise)

		Year ended 31 March 2019 Amount (Rs.)	Year ended 31 March 2018 Amount (Rs.)
A	**Cash flow from operating activities :**		
	Net profit/(loss) before tax	(1,200.29)	(539.91)
	Adjustments for :		
	Interest Income from Inter Corporate Deposits	-	(5.49)
	Unwinding of interest income	(241.00)	(63.58)
	Lease rent	2.51	0.47
	Provision against sale with right of return	612.22	514.27
	Gain on modification/derecognition of financial assets	(121.10)	-
	Interest on Fixed Deposits	(19.70)	-
	Excess provisions written back	(5.63)	-
	Interest Expenses	1,779.60	240.33
	Depreciation and Amortisation	58.80	17.46
	Provision for Gratuity and Compensated Absences	57.90	9.43
	Share-based payment expense	8.95	0.34
	Expected credit loss allowance (ECL)	29.25	1,784.43
	Operating profit/(loss) before working capital changes	961.51	1,957.75
	Adjustments for:		
	Loans-Current and Non-current	833.64	(2,964.38)
	Trade receivables-Current and Non-current	(3,171.24)	(6,476.22)
	Other financial assets-Current and Non-current	1,954.20	(12,044.06)
	Other non-current assets	0.17	(6.28)
	Other current assets	(113.46)	(127.37)
	Other financial liabilities-Current and Non-current	(5,062.35)	5,062.44
	Provisions-Current and Non-current	257.66	0.01
	Other current liabilities	157.38	443.18
	Cash (used in)/ generated from operations	(4,182.49)	(14,154.92)
	Direct taxes (paid)/refund (net)	22.36	(714.14)
	Net cash (used in)/ generated from operating activities	**(4,160.13)**	**(14,869.06)**
B	**Cash flow from investing activities :**		
	Purchase of Property, plant and equipment and intangible assets	(233.90)	(134.66)
	Interest Received	19.70	5.49
	Net cash (used in)/ generated from investing activities	**(214.20)**	**(129.17)**
C	**Cash flow from financing activities**		
	Proceeds From/(Repayment Of) Secured Loans (Including Current Maturity Of Long Term Debt) (Net)	(3.46)	16.87
	Proceeds From/(Repayment Of) Short Term Borrowings (Net)	7,759.44	15,229.00
	Interest Paid	(1,779.60)	(240.33)
	Net cash generated from/(used in) financing activities	**5,976.38**	**15,005.54**
D	**Net increase/(decrease) in cash and cash equivalents (A+B+C)**	**1,602.05**	**7.31**
E	**Cash and cash equivalents at the beginning of the year**	**12.72**	**5.41**
F	**Cash and cash equivalents at the close of the year (D + E) (Refer Note: 11)**	**1,614.77**	**12.72**

Notes:

1 Statement of cash flows has been prepared under the indirect method as set out in the IndAS 7 "Statement of Cash Flows" as prescribed under the Companies (Indian Accounting Standards) Rules, 2015.

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

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

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

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No. 089011
New Delhi: 24 April 2019

Satish Chand
Director
DIN: 00473988
New Delhi: 24 April 2019

Vaseem Raja
Director
DIN: 07709789

Ram Mehar Garg
Company Secretary
AKJPM3656K

Indiabulls Investment Advisors Limited
(Formerly known as Indiabulls Brokerage Limited)
Statement of Changes in Equity for the year ended 31 March 2019
(All amounts in Rs. Lakhs unless stated otherwise)

Note - 15

(A) Equity share capital

Particulars	Equity Shares
	Amount
As at 1 April 2017	**550.00**
Changes in equity share capital during the year	-
As at 31 March 2018	**550.00**
Changes in equity share capital during the year	-
As at 31 March 2019	**550.00**

Other equity

Particulars	Reserves and surplus		Total
	Share based payment reserve	Retained earnings	
Balance as at 1 April 2017	**0.99**	**(62.48)**	**(61.49)**
Share based payment expense	0.34	-	0.34
Other comprehensive income/(loss) (net of tax)	-	(14.13)	(14.13)
Profit /(loss) for the year	-	(378.18)	(378.18)
Balance as at 31 March 2018	**1.33**	**(454.79)**	**(453.46)**
Share based payment expense	8.95	-	8.95
Other comprehensive income/(loss) (net of tax)	-	17.28	17.28
Profit /(loss) for the year	-	(1,022.49)	(1,022.49)
Balance as at 31 March 2019	**10.28**	**(1,460.00)**	**(1,449.72)**

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

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

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

Ajay Sardana
Partner
Membership No. 089011
New Delhi: 24 April 2019

For and on behalf of the Board of Directors

Satish Chand	Vaseem Raja	Ram Mehar Garg
Director	Director	Company Secretary
DIN: 00473988	DIN: 07709789	AKJPM3656K

New Delhi: 24 April 2019

Indiabulls Investment Advisors Limited
(formerly known as Indiabulls Brokerage Limited)
Summary of significant accounting policies and other explanatory information for the year ended 31 March, 2019
(All amounts in Rs. Lakhs unless stated otherwise)

Note - 1
Company Overview:
Indiabulls Investment Advisors Limited (formerly known as Indiabulls Brokerage Limited) ("the Company") was incorporated on August 22, 2008. On January 15, 2009 the Company received a certificate of registration from the Securities and Exchange Board of India ("SEBI") under sub –section 1 of section 12 of the Securities and Exchange Board of India Act, 1992 to carry on its business as stock and share brokers. Accordingly, all provisions of the Securities and Exchange Board of India Act, 1992, and rules and regulations relating thereto are applicable to IIAL. During the year ended March 31, 2013, the Company surrendered its trading membership in all segments with the National Stock Exchange of India Limited (NSE) and in cash segment with the BSE Ltd. (BSE). On September 17, 2013, SEBI, vide its letter to the NSE and BSE, confirmed the cancellation of the Company's registration certificate with effect from March 28, 2013. On March 28, 2013, NSE issued a notification approving the Company's request for surrender of membership in all segments.

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

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

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

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

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

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

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

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

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

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

For all periods up to and including the year ended 31 March 2018, the Company has prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, 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 authorized and approved for issue by the Board of Directors on April 24, 2019.

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

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

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

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

Note - 3
Significant Accounting Policies:

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

b) Revenue Recognition:
• Income from Brokerage and commission is recognized on accrual basis, generally as set out under the terms of contracts/agreements with respective customers.

- Income from fee based consultancy is recognised on an accrual basis.
- Income from interest from fixed deposits is recognized on accrual basis.

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.

i) Financial instruments (continued)

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.

i) Financial instruments (continued)

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.

k) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Group has not applied as they are effective from 1 April 2019:

Ind AS - 116

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 16, effective annual reporting period beginning 1 April 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (1 April 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at 1 April 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify 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 capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any long-term interests in associates and joint ventures.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

Indiabulls Investment Advisors Limited
(formerly known as Indiabulls Brokerage Limited)
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts in Rs. Lakhs unless stated otherwise)
Note - 4

	Gross Block (At Cost)				Accumulated Depreciation/Amortization				Net Block	
	As at 01 April 2018	Additions during the year	Adjustments/ Sales during year	As at 31 March 2019	As at 01 April 2018	Additions during the year	Adjustments during the year	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
a). Property, Plant & Equipment										
Office Equipment	11.93	27.38	-	39.31	1.03	6.23	-	7.26	32.05	10.90
Vehicles	29.29	20.11	-	49.40	2.61	5.50	-	8.11	41.29	26.68
Furniture and fixtures	41.81	68.13	-	109.94	3.92	9.15	-	13.07	96.87	37.89
Computers	55.86	41.13	-	96.99	9.36	28.27	-	37.63	59.36	46.50
TOTAL (a)	**138.89**	**156.75**	**-**	**295.64**	**16.92**	**49.15**	**-**	**66.07**	**229.57**	**121.97**
b). Intangible Assets										
Software	7.40	77.15	-	84.55	0.54	9.65	-	10.19	74.36	6.86
TOTAL (b)	**7.40**	**77.15**	**-**	**84.55**	**0.54**	**9.65**	**-**	**10.19**	**74.36**	**6.86**
TOTAL (a+b)	**146.29**	**233.90**	**-**	**380.19**	**17.46**	**58.80**	**-**	**76.26**	**303.93**	**128.83**

Previous Year

	Gross block (at cost)				Accumulated depreciation/ amortization				Net block	
Particulars	As at 01 April 2017	Additions during the year	Adjustments/ Sales during year	As at 31 March 2018	As at April 1, 2017	Additions during the year	Adjustments during the year	As at 31 March 2018	As at 31 March 2018	As at 01 April 2017
a). Property, Plant & Equipment										
Office Equipment	-	11.93	-	11.93	-	1.03	-	1.03	10.90	-
Vehicles	-	29.29	-	29.29	-	2.61	-	2.61	26.68	-
Furniture and fixtures	11.63	30.18	-	41.81	-	3.92	-	3.92	37.89	11.63
Computers	-	55.86	-	55.86	-	9.36	-	9.36	46.50	-
TOTAL (a)	**11.63**	**127.26**	**-**	**138.89**	**-**	**16.92**	**-**	**16.92**	**121.97**	**11.63**
b). Intangible Assets										
Software	-	7.40	-	7.40	-	0.54	-	0.54	6.86	-
TOTAL (b)	**-**	**7.40**	**-**	**7.40**	**-**	**0.54**	**-**	**0.54**	**6.86**	**-**
TOTAL (a+b)	**11.63**	**134.66**	**-**	**146.29**	**-**	**17.46**	**-**	**17.46**	**128.83**	**11.63**

*** Deemed cost of property, plant and equipment as at 1 April 2017.**

Particulars	**Gross block as at 1 April 2017**	**Accumulated depreciation as at 1 April 2017**	**Net block as at 1 April 2017**
Office Equipment	7.62	7.62	-
Furniture and fixtures	27.56	15.93	11.63
Computers	16.25	16.25	-
Total	**51.43**	**39.80**	**11.63**

(All amounts in Rs. Lakhs unless stated otherwise)

Note - 5
Loans-Non current

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
Unsecured			
Security Deposits			
For Underwriting/Distribution of real estate projects	2,477.97	2,963.02	-
	2,477.97	**2,963.02**	-
For Rental Premises			
Considered good	23.68	16.69	-
Considered doubtful	-	-	-
	23.68	16.69	-
Less: Provision for doubtful deposits	-	-	-
	23.68	**16.69**	-
As per Balance Sheet	**2,501.65**	**2,979.71**	-

Note - 6
Trade receivables-Non-current

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
Unsecured, considered good			
Long term trade receivables	4,957.61	3,822.43	-
Long term trade receivables which have significant increase in credit risk	510.33	407.56	-
	5,467.94	4,229.99	-
Less: expected credit loss allowance	(510.33)	(407.56)	-
As per Balance Sheet	**4,957.61**	**3,822.43**	-

Note - 7
Other financial assets -Non current

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
Balance with banks [(a)]			
- in fixed deposits with original maturity of more than twelve months	304.44	-	-
Other receivables (refer note 35 b)	9,785.42	12,044.06	-
Other receivables which have significant increase in credit risk (refer note 35 b)	1,007.29	1,284.18	-
	10,792.71	13,328.24	-
Less: Expected credit loss allowance	(1,007.29)	(1,284.18)	-
As per Balance Sheet	**10,089.86**	**12,044.06**	-

(a) Pledged against overdraft facility taken from HDFC Bank Ltd.

Note - 8
Deferred tax assets (net)

		As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
Deferred tax assets:				
Disallowances u/s. 43B of the Income Tax Act, 1961		16.12	1.47	0.17
Disallowances u/s. 40A(7) of the Income Tax Act, 1961		69.87	8.46	1.24
Provision for contingencies		8.74	-	-
Property, plant and equipment and other intangible assets		-	-	1.36
Share based payment reserve		3.00	0.39	0.30
Security deposits measured at amortised cost		0.31	0.03	-
Underwriting deposits measured at amortised cost.		26.35	131.35	-
Expected credit loss allowance		706.42	519.63	-
Deferred tax assets (Total)	(a)	**830.81**	**661.33**	**3.07**
Deferred tax liability:				
Property, plant and equipment and other intangible assets		0.87	0.84	-
Deferred tax liability (Total)	(b)	**0.87**	**0.84**	-
As per Balance Sheet [a-b]		**829.95**	**660.49**	**3.07**

(All amounts in Rs. Lakhs unless stated otherwise)

Movement in deferred tax balances:

For the year ended 31 March 2019	As at 31 March 2018	Charged/ (credited) to statement of profit or loss	Charged/ (credited) to other comprehensive income	Charged/ (credited) to equity	As at 31 March 2019
Disallowances u/s. 43B of the Income Tax Act, 1961	1.47	21.75	(7.10)	-	16.12
Disallowances u/s. 40A(7) of the Income Tax Act, 1961	8.46	61.41	-	-	69.87
Provision for contingencies	-	8.74	-	-	8.74
Share options outstanding reserve	0.39	2.61	-	-	3.00
Security deposits measured at amortised cost	0.03	0.29	-	-	0.31
Underwriting deposits measured at amortised cost.	131.35	(105.00)	-	-	26.35
Expected credit loss allowance	519.63	186.80	-	-	706.42
Property, plant and equipment and other intangible assets	-	(0.87)	-	-	(0.87)
Deferred tax assets (net)	**660.49**	**176.56**	**(7.10)**	**-**	**829.95**

For the year ended 31 March 2018	As at 1 April 2017	Charged/ (credited) to statement of profit or loss	Charged/ (credited) to other comprehensive income	Charged/ (credited) to equity	As at 31 March 2018
Disallowances u/s. 43B of the Income Tax Act, 1961	0.17	(4.50)	5.80	-	1.47
Disallowances u/s. 40A(7) of the Income Tax Act, 1961	1.24	7.22	-	-	8.46
Property, plant and equipment and other intangible assets	1.36	(2.20)	-	-	(0.84)
Share based payment reserve	0.30	0.09	-	-	0.39
Security deposits measured at amortised cost	-	0.03	-	-	0.03
Underwriting deposits measured at amortised cost.	-	131.35	-	-	131.35
Expected credit loss allowance	-	519.63	-	-	519.63
Deferred tax assets (net)	**3.07**	**651.62**	**5.80**	**-**	**660.49**

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

Expiry financial year (as per Income Tax Act, 1961)	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
Unused tax losses			
1 April 2026 - 31 March 2027	802.69	-	-
Unabsorbed depreciation for indefinite period	58.91	-	-
	861.60	**-**	**-**

Note - 9
Other non-current assets

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
Prepaid expense	10.04	6.74	-
Capital advances, considered good	6.11	**6.28**	-
As per Balance Sheet	**16.15**	**13.02**	**-**

Note - 10
Trade receivables-Current

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
(Unsecured)			
Current trade receivables	2,876.16	869.36	-
Current trade receivables which have significant increase in credit risk	296.07	92.69	-
	3,172.23	962.05	-
Less: Expected credit loss allowance	(296.07)	(92.69)	-
As per Balance Sheet	**2,876.16**	**869.36**	**-**

Note - 11
Cash and cash equivalents

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
Cash in hand	3.29	0.13	0.00
Balance with banks			
- in current accounts	1,611.49	12.59	5.41
As per Balance Sheet	**1,614.78**	**12.72**	**5.41**

Note - 12
Loans - Current

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
Unsecured			
Inter-corporate deposits			
- to related parties	-	-	475.00
As per Balance Sheet	**-**	**-**	**475.00**

Note -13

Current tax assets (net)	**As at 31 March 2019**	**As at 31 March 2018**	**As at 01 April 2017**
- Advance income tax/tax deducted at source (net)	199.65	223.37	-
As per Balance Sheet	**199.65**	**223.37**	**-**

Note - 14

Other current assets	**As at 31 March 2019**	**As at 31 March 2018**	**As at 01 April 2017**
Prepaid expenses	20.33	1.88	-
Balance with government authorities	193.49	75.32	1.82
Advance to employees	25.23	0.32	0.39
Advance to suppliers	6.49	53.84	0.01
As per Balance Sheet	**245.54**	**131.36**	**2.22**

Note - 15
Equity Share capital

i. Authorised

	As at 31 March 2019		**As at 31 March 2018**		**As at 01 April 2017**	
	No. of shares	**Amount Rs. In lakhs**	**No. of shares**	**Amount Rs. In lakhs**	**No. of shares**	**Amount Rs. In lakhs**
Equity shares of face value of Rs. 10 each	5,500,000	550.00	5,500,000	550.00	5,500,000	550.00
		550.00		**550.00**		**550.00**
ii. Issued and subscribed and paid up						
5,500,000 Equity shares of face value of Rs. 10 each fully paid up	5,500,000	550.00	5,500,000	550.00	5,500,000	550.00
As per Balance Sheet		**550.00**		**550.00**		**550.00**

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

	As at 31 March 2019		**As at 31 March 2018**		**As at 01 April 2017**	
	No. of shares	**Amount Rs. In lakhs**	**No. of shares**	**Amount Rs. In lakhs**	**No. of shares**	**Amount Rs. In lakhs**
Balance at the beginning of the year	5,500,000	550.00	5,500,000	550.00	5,500,000	550.00
Add: Issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	**5,500,000**	**550.00**	**5,500,000**	**550.00**	**5,500,000**	**550.00**

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

	As at 31 March 2019		**As at 31 March 2018**		**As at 01 April 2017**	
Name of the Shareholder	**No. of Shares held**	**% of Holding**	**No. of Shares held**	**% of Holding**	**No. of Shares held**	**% of Holding**
Equity shares of ₹ 10 each fully paid up						-
Indiabulls Ventures Limited	5,500,000	**100%**	5,500,000	100%	5,500,000	100%
	5,500,000	**100%**	**5,500,000**	**100%**	**5,500,000**	**100%**

v. Terms/rights attached to the equity shares:

a. The Company has only one class of equity shares having a face value of Rs. 10 per share. Each holder of fully paid up equity share is entitled to one vote per share. The final dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

b. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

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

viii. Employee Stock Option Schemes: [Refer Note: Note - 35]

Note - 16

	As at 31 March 2019	**As at 31 March 2018**	**As at 01 April 2017**
Other equity			
Share based payments reserve	10.28	1.33	0.99
Retained earnings	(1,477.28)	(440.66)	(62.48)
Other reserves	17.28	(14.13)	-
	(1,449.72)	**(453.46)**	**(61.49)**

(All amounts in Rs. Lakhs unless stated otherwise)

Note - 16: Other equity (continued)

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

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

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

Note - 17

Borrowings-Non current	**As at 31 March 2019**	**As at 31 March 2018**	**As at 01 April 2017**
Vehicle loans from banks (secured) [Refer a), b) and c) below]	13.41	16.87	-
Less: Current maturity of long-term borrowings [Refer Note: 21]	(3.76)	(3.46)	-
As per Balance Sheet	**9.65**	**13.41**	**-**

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

Note - 18

Other financial liabilties-Non current	**As at 31 March 2019**	**As at 31 March 2018**	**As at 01 April 2017**
Security Deposit	-	150.00	-
As per Balance Sheet	**-**	**150.00**	**-**

Note - 19

Provisions - Non Current	**As at 31 March 2019**	**As at 31 March 2018**	**As at 01 April 2017**
Provision for employee benefits [Refer Note: 34]			
Provision for gratuity	231.74	28.28	4.02
Provision for compensated absences	53.19	4.90	0.57
As per Balance Sheet	**284.93**	**33.18**	**4.59**

Note - 20

Borrowings - Current	**As at 31 March 2019**	**As at 31 March 2018**	**As at 01 April 2017**
Unsecured loans			
Inter corporate deposits			
From Holding Company [Refer a) and c) below]	-	661.00	-
From Fellow Subsidiary Company [Refer b) and c) below]	22,988.44	14,568.00	-
As per Balance Sheet	**22,988.44**	**15,229.00**	**-**

(a) The unsecured loan from the Holding Company was repayable at the option of the Company, on or before the expiration of the tenure of the loan agreement of three years. During the year ended 31 March 2018 the said loan carried interest rate at the rate of 8.25% per annum respectively.
(b) The unsecured loan from the Fellow Subsidiary Company is repayable at the option of the Company, on or before the expiration of the tenure of the loan agreement of five years. As at 31 March 2019 and 31 March 2018, the said loan carried interest rate at the rate of 8.25% and 9.50% per annum respectively.
(c) There is no default as on the Balance Sheet date in repayment of the respective loan or interest amounts.

Note - 21

Other financial liabilities-current	**As at 31 March 2019**	**As at 31 March 2018**	**As at 01 April 2017**
Current maturity of long-term borrowings (Refer Note: 17)	3.77	3.46	-
Temporary overdrawn bank balances as per books	0.09	4,912.44	
As per Balance Sheet	**3.86**	**4,915.90**	**-**

Reconciliation of liabilities arising from financing activities

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

Particulars	Amount Rs. in Lakhs
1 April 2017	**-**
Cash flows:	
- Repayment	(8,708.00)
- Proceeds	23,953.87
31 March 2018	**15,245.87**
Cash flows:	
- Repayment	(46,910.27)
- Proceeds	54,666.25
31 March 2019	**23,001.85**

Note - 22

Other current liabilties

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
Statutory dues payables	302.09	240.52	0.01
Employee related payable	153.77	104.27	-
Expenses and other payables	136.63	99.01	0.61
Payable for capital goods	3.06	-	-
As per Balance Sheet	**595.55**	**443.80**	**0.62**

Note - 23

Provisions-current

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
Provision for employee benefits [Refer Note: 34]			
Provision for gratuity	8.19	0.78	0.12
Provision for compensated absences	2.16	0.14	0.02
Other provisions			
Provision for contingencies	642.22	-	-
As per Balance Sheet	**652.57**	**0.92**	**0.14**

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

Particulars	Provision for contingencies
1 April 2017	**-**
Additional provision recognised	**-**
Amounts used during the year	**-**
31 March 2018	**-**
Additional provision recognised	**642.22**
Amounts used during the year	**-**
31 March 2019	**642.22**

Note - 24

Current tax liabilities

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
Provision for taxation (net of advance tax/ tax deducted at source)	-	2.60	3.47
As per Balance Sheet	**-**	**2.60**	**3.47**

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(All amounts in Rs. Lakhs unless stated otherwise)

Note - 25
Revenue from operations

	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of services		
Commission and Brokerage Income	6,579.60	6,681.51
Consultancy fees	-	1.00
As per Statement of Profit and Loss	**6,579.60**	**6,682.51**

Note - 26
Other income

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest income from inter-corporate deposits	-	5.49
Interest on fixed deposits	19.70	-
Excess provisions written back	5.63	-
Miscellaneous Income	3.29	-
Unwinding of interest income	241.00	63.58
Gain on modification/derecognition of financial assets	121.10	-
As per Statement of Profit and Loss	**390.72**	**69.07**

Note - 27
Employee benefits expense

	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries	3,486.89	2,688.81
Contribution to provident fund and other funds	17.50	0.72
Staff welfare expenses	172.21	16.64
Provision for Gratuity and Compensated Absences	57.90	9.43
Employee share-based payment expense	8.95	0.34
As per Statement of Profit and Loss	**3,743.45**	**2,715.94**

Note - 28
Finance costs

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest on Inter Corporate Deposits	1,777.26	239.14
Interest on bank overdraft	1.02	-
Interest on vehicle loans	1.32	1.19
Interest on taxes	15.34	0.10
As per Statement of Profit and Loss	**1,794.94**	**240.43**

Note - 29
Other expenses

	For the year ended 31 March 2019	For the year ended 31 March 2018
Stamp duty	0.62	0.86
Commission	874.00	2.41
Lease rent	339.64	375.09
Rates and taxes	6.57	11.17
Electricity	43.26	1.39
Communication	32.88	1.60
Legal and professional	637.34	1,645.83
Recruitment	0.97	0.71
Travelling and conveyance	123.48	28.05
Printing and stationery	32.25	16.19
Office maintenance	125.55	68.67
Repairs and maintenance - others	67.19	17.12
Business promotion	245.57	361.40
Payment to Statutory Auditors (net of goods and service tax)*	1.50	2.40
Donation [refer note 45]	11.53	-
Bad debts, advances and security deposits written off(ECL)	29.25	1,784.43
Bank Charges	0.05	0.33
Miscellaneous expenses	1.77	0.01
As per Statement of Profit and Loss	**2,573.42**	**4,317.66**

*Auditor's remuneration		
For statutory audit	1.50	1.50
For other certification	-	0.90

Indiabulls Investment Advisors Limited
(formerly known as Indiabulls Brokerage Limited)
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts in Rs. Lakhs unless stated otherwise)

Note - 30

Tax expenses	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Current tax	-	489.90
Earlier year tax expenses	(1.25)	(0.01)
Deferred tax expense	(176.55)	(651.62)
Income tax expense reported in the statement of profit and loss	(177.80)	(161.73)

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 29.12% (31 March 2018: 28.84%) and the reported tax expense in statement of profit or loss are as follows:

Accounting profit before tax expense	(1,200.29)	(539.91)
Income tax rate	29.12%	28.84%
Expected tax expense	(349.52)	(155.71)
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense		
Tax impact on items exempt under income tax	(105.44)	(24.08)
Tax impact of expenses which will never be allowed	206.69	663.18
Tax losses for which no deferred tax was recognised	250.90	-
Others	(2.62)	6.52
Deferred tax impact on temporary differences	(176.55)	(651.62)
Tax impact of earlier year items	(1.25)	(0.01)
Income rax expenses recognised in profit & loss account	**(177.80)**	**(161.73)**

Note - 31

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**
a) Continuing operations		
Net Profit/(loss) for the year from continuing operations	(1,022.49)	(378.18)
Weighted average number of equity shares for computation of Basic EPS	55.00	55.00
Basic earning per share (In Rs.)	(18.59)	(6.88)
Weighted average number of equity shares for computation of Diluted EPS	55.00	55.00
Diluted earning per share (In Rs.)	(18.59)	(6.88)
b) Discontinuing operations		
Net Profit/(loss) for the year from discontinuing operations	-	-
Weighted average number of equity shares for computation of Basic EPS	55.00	55.00
Basic earning per share (In Rs.)	-	-
Weighted average number of equity shares for computation of Diluted EPS	55.00	55.00
Diluted earning per share (In Rs.)	-	-

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(All amounts in Rs. Lakhs unless stated otherwise)

Note - 32
Financial instruments
A Financial assets and liabilities
The carrying amounts of financial instruments by category are as follows:

Particulars	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
Financial assets measured at amortised cost			
Loans	2,501.65	2,979.71	475.00
Trade receivables	7,833.76	4,691.79	-
Cash and cash equivalents	1,614.78	12.72	5.41
Other financial assets	10,089.86	12,044.06	-
Total	**22,040.05**	**19,728.28**	**480.41**
Financial liabilities measured at amortised cost			
Borrowings (other than debt securities but including interest accrued)	23,001.85	15,245.87	-
Other financial liabilities	0.09	5,062.44	-
Total	**23,001.94**	**20,308.31**	**-**

B Fair values hierarchy
Financial assets and financial liabilities are measured at fair value in these 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 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						
Loans	2,501.65	2,501.65	2,979.71	2,979.71	475.00	475.00
Trade receivables	7,833.78	7,833.78	4,691.79	4,691.79	-	-
Cash and cash equivalents	1,614.78	1,614.78	12.72	12.72	5.41	5.41
Other financial assets	10,089.86	10,089.86	12,044.06	12,044.06	-	-
Total	**22,040.06**	**22,040.06**	**19,728.28**	**19,728.28**	**480.41**	**480.41**
Financial liabilities						
Borrowings (other than debt securities)	23,001.85	23,001.85	15,245.87	15,245.87	-	-
Other financial liabilities	0.09	0.09	5,062.44	5,062.44	-	-
Total	**23,001.94**	**23,001.94**	**20,308.31**	**20,308.31**	**-**	**-**

Valuation process and technique used to determine fair value
Specific valuation techniques used to value financial instruments include -
(i) Respective carrying amounts of loans, trade and other receivables and cash and cash equivalents, largely due to the short term maturities of these instruments and close approximation to fair values.
(ii) The fair values of the Company's trade receivables and other financial assets are determined expected credit loss model (provision matrix approach) for recognising the allowance for doubtful receivables.

Note - 33
1 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 risks are managed by a treasury department under policies approved by the board of directors. The board of directors provides written principles for overall risk management. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	**Exposure arising from**	**Measurement**	**Management**
Credit risk	Cash and cash equivalents, loans, trade receivables and other financial assets	Ageing analysis	Highly rated bank deposits and diversification of asset base and collaterals taken for assets.
Liquidity risk	Borrowings and other financial liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk - interest rate	Variable rates borrowings.	Sensitivity analysis	Negotiation of terms that reflect the market factors

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

(All amounts in Rs. Lakhs unless stated otherwise)

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

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

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

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

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

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

Assets are written off when there is no reasonable expectation of recovery. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are 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**			
Loans	2,501.65	2,979.71	475.00
Cash and cash equivalents	1,614.78	12.72	5.41
(ii) **High credit risk**			
Trade receivables	7,833.76	4,691.79	-
Other financial assets	10,089.86	12,044.06	-

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

Loans

High Credit risk related to loans include security deposits are managed by monitoring the recoverability of such amounts continuously and the Company is measured at amortized cost using the effective interest rate ('EIR') method for recognising any discount or premium on acquisition and fees or costs of the Underwriting/Security Deposits.

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.

Trade receivables

High Credit risk related to trade and other financial assets are managed by monitoring the recoverability of such amounts continuously and the Company is applied expected credit loss model (provision matrix approach) for recognising the allowance for doubtful receivables.

b) Credit risk exposure

i) Expected credit losses for financial assets

As at 31 March 2019	**Estimated gross carrying amount**	**Expected credit losses**	**Carrying amount net of impairment provision**
Cash and cash equivalents	1,614.78	-	1,614.78
Loans	2,501.65	-	2,501.65
Trade receivables	8,640.17	806.39	7,833.78
Other financial assets	11,097.15	1,007.29	10,089.86

As at 31 March 2018	**Estimated gross carrying amount**	**Expected credit losses**	**Carrying amount net of impairment provision**
Cash and cash equivalents	12.72	-	12.72
Loans	2,979.71	-	2,979.71
Trade receivables	5,192.04	500.25	4,691.79
Other financial assets	13,328.24	1,284.18	12,044.06

(All amounts in Rs. Lakhs unless stated otherwise)

As at 1 April 2017	Estimated gross carrying amount	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	5.41	-	5.41
Loans	475.00	-	475.00

Reconciliation of expected credit loss allowance provision - trade receivables:

Reconciliation of expected credit loss allowance	Trade receivables	Other financial assets
Loss allowance on 1 April 2017	-	-
Changes in loss allowance	500.25	1,284.18
Loss allowance on 31 March 2018	**500.25**	**1,284.18**
Changes in loss allowance	306.14	(276.89)
Loss allowance on 31 March 2019	**806.39**	**1,007.29**

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

c) Concentration of trade receivables

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

B) Liquidity risk

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

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

(i) 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	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Cash and cash equivalent and other bank balances	1,614.77	-	-	-	**1,614.77**
Trade receivables	3,172.23	-	5,467.94	-	**8,640.17**
Loans	-	2,509.40	-	96.34	**2,605.74**
Other financial assets	305.22	-	10,792.71	-	**11,097.93**
Total undiscounted financial assets	**5,092.22**	**2,509.40**	**16,260.65**	**96.34**	**23,958.61**
Non-derivatives					
Borrowings other than debt securities	22,992.84	4.80	4.80	1.05	**23,003.49**
Other financial liabilities	0.09	-	-	-	**0.09**
Total undiscounted financial liabilities	**22,992.93**	**4.80**	**4.80**	**1.05**	**23,003.58**
Net undiscounted financial assets/(liabilities)	**(17,900.71)**	**2,504.60**	**16,255.85**	**95.29**	**955.03**

As at 31 March 2018	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Cash and cash equivalent and other bank balances	12.72	-	-	-	**12.72**
Trade receivables	869.36	-	3,822.43	-	**4,691.79**
Loans	-	3,032.08	2.41	404.88	**3,439.37**
Other financial assets	-	-	12,044.06	-	**12,044.06**
Total undiscounted financial assets	**882.08**	**3,032.08**	**15,868.90**	**404.88**	**20,187.94**
Non-derivatives					
Borrowings other than debt securities	15,233.40	4.80	4.80	5.85	**15,248.85**
Other financial liabilities	4,912.44	-	-	-	**4,912.44**
Total undiscounted financial liabilities	**20,145.84**	**4.80**	**4.80**	**5.85**	**20,161.29**
Net undiscounted financial assets/(liabilities)	**(19,263.76)**	**3,027.28**	**15,864.10**	**399.03**	**26.65**

(All amounts in Rs. Lakhs unless stated otherwise)

As at 1 April 2017	**Less than 1 year**	**1-2 year**	**2-3 year**	**More than 3 years**	**Total**
Non-derivatives					
Cash and cash equivalent and other bank balances	5.41	-	-	-	**5.41**
Loans	475.00	-	-	-	**475.00**
Total undiscounted financial assets	**480.41**	**-**	**-**	**-**	**480.41**
Non-derivatives					
Total undiscounted financial liabilities	**-**	**-**	**-**	**-**	**-**
Net undiscounted financial assets/(liabilities)	**480.41**	**-**	**-**	**-**	**480.41**

C) Market risk

a) 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's fixed rate borrowings are carried at amortised cost. 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.

Interest rate risk exposure

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

Particulars	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
Variable rate borrowings	-	-	-
Fixed rate borrowings	23,001.85	15,245.87	-
Total	**23,001.85**	**15,245.87**	**-**

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.

Note - 34

Capital management

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

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

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

Particulars	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
Net debt*	21,387.08	15,233.15	-
Total equity	(899.72)	96.54	488.51
Net debt to equity ratio	**-**	**157.79**	**-**

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

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Note - 35
Employee stock option schemes:
The employees of the Company have been granted options as per the existing schemes of Indiabulls Ventures Limited ('Holding Company'). On exercise, the employees will be allotted shares of the Holding Company. The Company has recorded share based payment expense of Rs.8.95 lakhs (31 March 2018 Rs.0.34 lakhs) with a corresponding credit to equity.

a) Employees Stock Option Scheme - 2008

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

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

A Compensation Committee constituted by the Board of Directors of the Holding Company administered the plan. The Compensation Committee had granted, under the "Indiabulls Ventures Limited Employees Stock Option Scheme - 2008" ("IBVL ESOP - 2008"), 20,000,000 stock options representing an equal number of equity shares of face value Rs. 2 each in the Holding Company, to the eligible employees, at an exercise price of Rs. 17.40 per equity share, being the latest available closing market price on the National Stock Exchange of India Limited, as on 23 January 2009. The stock options so granted, shall vest in the eligible employees over a period of 10 years beginning from 25 January 2010 being the first vesting date. The options granted under each of the slabs, can be exercised by the grantees within a period of five years from the relevant vesting date.

Further, during the year ended 31 March 2017, the Compensation Committee had regranted 9,700,000 stock options (surrendered and lapsed options eligible for regrant) representing an equal number of equity shares of face value Rs. 2 each in the Holding Company, to the eligible employees, at an exercise price of Rs. 24.15 per equity share, being the latest available closing market price on the National Stock Exchange of India Limited, as on 30 June 2016. The stock options so granted, shall vest uniformly over a period of 5 years beginning from 02 July 2017, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

Further, during the year ended 31 March 2018, the Compensation Committee has regranted 500,000 and 880,600 stock options (surrendered and lapsed options eligible for regrant) representing an equal number of equity shares of face value Rs. 2 each in the Holding Company, to the eligible employees, at an exercise price of Rs. 219.65 per equity share and Rs. 254.85 per equity share, respectively, being the latest available closing market price on the National Stock Exchange of India Limited, as on 31 August 2017 and 23 March 2018, respectively. The stock options so granted, shall vest uniformly over a period of 5 years beginning from 2 September 2018 and 25 March 2019 respectively, the first vesting date, the options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

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

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

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

b) Employees Stock Option Scheme - 2009

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

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

During the year ended 31 March 2011, the Compensation Committee had further granted 2,050,000 Stock Options representing an equal number of equity shares of face value Rs. 2 each in the Holding Company, at an exercise price of Rs. 31.35 per equity share, being the latest available closing market price on the National Stock Exchange of India Limited, as on 09 April 2010. The Stock Options so granted, shall vest uniformly over 10 years beginning from 13 April 2011 being the first vesting date. The options granted under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

During the year ended 31 March 2016, the Compensation Committee had regranted under the IBVL ESOP - 2009 10,000,000 stock options (surrendered and lapsed options eligible for regrant) representing an equal number of equity shares of face value of Rs. 2 each in the Holding Company, at an exercise price of Rs. 27.45 per equity share, being the latest available closing market price on the National Stock Exchange of India Limited, as on 24 August 2015. The stock options so granted, shall vest uniformly over a period of 5 years beginning from 26 August 2016, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date. During the year ended 31 March 2017, the Holding Company had received the request from various option holders to surrender 10,000,000 stock options, which has been accepted by the Holding Company.

During the year ended 31 March 2017, the Compensation Committee had further regranted 9,500,000 and 10,000,000 Stock Options (surrendered and lapsed options eligible for regrant) representing an equal number of equity shares of face value Rs. 2 each in the Holding Company, to the Eligible Employees, at an exercise price of Rs. 16 per equity share and Rs. 24.15 per equity share, respectively, being the latest available closing market price on the National Stock Exchange of India Limited, as on 11 May 2016 and 30 June 2016. The stock options so granted, shall vest uniformly over a period of 5 years beginning from 13 May 2017 and 02 July 2017 respectively, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date. During the year ended 31 March 2017, the Holding Company has received the request from various option holders to surrender 10,000,000 stock options, which has been accepted by the Holding Company.

Note - 35 (continued)

During the year ended 31 March 2018, the Compensation Committee has regranted 10,000,000 and 669,400 Stock Options (surrendered and lapsed options eligible for regrant) representing an equal number of Equity Shares of face value Rs. 2 each in the Holding Company, to the Eligible Employees, at an exercise price of Rs. 219.65 per equity share and Rs. 254.85 per equity share, respectively, being the latest available closing market price on the National Stock Exchange of India Limited, as on 31 August 2017 and 23 March 2018 respectively. The stock options so granted, shall vest uniformly over a period of 5 years beginning from 2 September 2018 and 25 March 2019 respectively, the first vesting date, the options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

		IBVL ESOP – 2009						
		10,000,000 Options	**2,050,000 Options**	**10,000,000 Options Regranted & Surrendered**	**9,500,000 Options Regranted**	**10,000,000 Options Regranted & Surrendered**	**10,000,000 Options Regranted**	**669,400 Options Regranted**
1.	Exercise price (Rs.)	35.25	31.35	27.45	16	24.15	219.65	254.85
2.	Expected volatility *	77.00%	48.96%	38.59%	40.74%	42.97%	46.70%	47.15%
3.	Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4.	Option life (weighted average)	10 Years	10 Years	7 Years	6 Years	6 Years	6 Years	6 Years
5.	Expected dividends yield	13.48%	6.86%	9.16%	16.33%	10.82%	1.27%	1.10%
6.	Risk free interest rate	7.50%	8.05%	6.50%	7.45%	7.45%	6.54%	7.56%
7.	Fair value of the options (Rs.)**	6.48	9.39	4.77	1.38	4.31	106.31	130.05

* The expected volatility was determined based on historical volatility data.
** Fair value of the options is computed using the Black Scholes Merton Option Pricing Model and is certified by an independent firm of Chartered Accountants.

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

	IBVL ESOP - 2008			
Total options under the scheme (Nos.)	**20,000,000**			
Options granted (Nos.)	**20,000,000**	**9,700,000 (Regrant)**	**500,000 (Regrant)**	**880,600 (Regrant)**
Vesting period and percentage	Ten years, 1st Year - 15% 2nd year to 9th year - 10% each year 10th year - 5%	Uniformly over a period of five years	Uniformly over a period of five years	Uniformly over a period of five years
Vesting date	January 25th each year, commencing 25 January 2010	July 2nd each year, commencing 2 July 2017	September 2nd each year, commencing 2 September 2018	March 25th each year, commencing 25 March 2019
Exercise price (Rs.)	17.40	24.15	219.65	254.85
Outstanding as at 1 April 2017 (Nos.)	**1,526,316**	**9,700,000**	**-**	**-**
Granted/regranted during the year (Nos.)	-	-	500,000	880,600
Exercised during the year (Nos.)	220,400	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	28,050	-	-	-
Outstanding as at 31 March 2018 (Nos.)	**1,277,866**	**9,700,000**	**500,000**	**880,600**
Outstanding as at 1 April 2018 of the year (Nos.)	**1,277,866**	**9,700,000**	**-**	**-**
Surrendered and eligible for re-grant during the year (Nos.)	406,950	-	-	187,000
Outstanding as at 31 March 2019 (Nos.)	**870,916**	**9,700,000 -**	**500,000**	**693,600**
Vested and exercisable at the end of the year (Nos.)	870,916	3,880,000	100,000	138,720
Remaining contractual life (weighted months)	49	63	77	84

- Weighted average exercise price of share during the year ended 31 March 2019: not applicable (31 March 2018: Rs. 59.77 lakhs).

	IBVL ESOP - 2009						
Total options under the scheme (Nos.)	**20,000,000**						
Options granted (Nos.)	**10,000,000**	**2,050,000**	**10,000,000 (Regrant & Surrendered)**	**9,500,000 (Regrant)**	**10,000,000 (Regrant & Surrendered)**	**10,000,000 (Regrant)**	**6,69,400 (Regrant)**
Vesting period and percentage	Uniformly over a period of ten years	Uniformly over a period of ten years	Uniformly over a period of five years	Uniformly over a period of five years	Uniformly over a period of five years	Uniformly over a period of five years	Uniformly over a period of five years
Vesting date	December 2nd each year, commencing 2 December 2010	April 13th each year, commencing 13 April 2011	August 26th each year, commencing 26 August 2016	May 13th each year, commencing 13 May 2017	July 2nd each year, commencing 2 July 2017	September 2nd each year, commencing 2 September 2018	March 25th each year, commencing 25 March 2019
Exercise price (Rs.)	35.25	31.35	27.45	16.00	24.15	219.65	254.85
Outstanding as at 1 April 2017 (Nos.)	**-**	**450,000**	**-**	**9,153,000**	**-**	**-**	**-**
Granted/ regranted during the year (Nos.)	-	-	-	-	-	10,000,000	669,400
Exercised during the year (Nos.)	-	300,000	-	1,758,100	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-	242,400	-	30,000	-
Outstanding as at 31 March 2018 (Nos.)	**-**	**150,000**	**-**	**7,152,500**	**-**	**9,970,000**	**669,400**
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-	664,800	-	90,000	450,000
Outstanding as at 31 March 2019 (Nos.)	**-**	**150,000**	**-**	**6,487,700**	**-**	**9,880,000**	**219,400**
Vested and exercisable at the end of the year (Nos.)	-	50,000	-	1,676,300	-	1,976,000	43,880
Remaining contractual life (weighted months)	-	60	-	67	-	77	84

- Weighted average exercise price of share during the year ended 31 March 2019: not applicable (31 March 2018: Rs. 121.14 lakhs).

Note - 36

Employee benefits

Defined contribution plans
Provident fund

The Company has certain defined contribution plans such as provident fund for benefits of its employees. Contributions are made to provident fund in India for employees as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs. 17.50 lakhs (31 March 2018 - Rs. 0.72 lakhs).

Defined benefit plans

A Gratuity (unfunded)

The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. Provision for unfunded Gratuity for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

Risks associated with plan provisions

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

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

Particulars	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
Present value of obligation	239.93	29.06	4.14
Fair value of plan assets		-	-
Net obligation recognised in balance sheet as provision	**239.93**	**29.06**	**4.14**

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

Particulars	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Current service cost	36.83	4.67
Past service cost including curtailment gains/losses	-	-
Gains or Losses on Non routine settlements	-	-
Interest cost on defined benefit obligation	13.99	0.31
Interest income on plan assets	-	-
Net impact on profit (before tax)	**50.82**	**4.98**
Actuarial (gain)/loss recognised during the year	(24.38)	19.93
Amount recognised in the statement of profit and loss and other comprehensive income	**26.44**	**24.91**

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

Particulars	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Present value of defined benefit obligation as at the beginning of year	29.06	4.15
Acquisition adjustment (net)	219.99	-
Current service cost	36.83	4.67
Interest cost	13.99	0.31
Past service cost including curtailment gains/losses	-	-
Benefits paid	(35.56)	-
Actuarial loss/(gain) on obligation		
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	(1.80)	(1.77)
Actuarial (gain)/loss on arising from experience adjustment	(22.58)	21.70
Present value of defined benefit obligation as at the end of the year	**239.93**	**29.06**

(All amounts in Rs. Lakhs unless stated otherwise)

Note - 36 - Employee benefits (continued)

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

Particulars	**As at 31 March 2019**	**As at 31 March 2018**
Government of India Securities	-	-
State Government securities	-	-
High Quality Corporate Bonds	-	-
Equity Shares of listed companies	-	-
Property	-	-
Funds Managed by Insurer	-	-
Bank Balance	-	-
Total	**-**	**-**

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

Particulars	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Fair value of plan assets at beginning of year	-	-
Actual return on plan assets	-	-
Employer's contribution	-	-
Benefits paid	-	-
Fair value of plan assets at the end of the year	**-**	**-**

(vi) Actuarial assumptions

Particulars	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Discounting rate	7.65%	7.80%
Future salary increase	5.00%	5.00%
Retirement age (years)	60.00	60.00
Withdrawal rate		
Up to 30 years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%
Weighted average duration	19.59	21.28

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

Gratuity is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2006-08) Ultimate table.

(vii) Sensitivity analysis for gratuity liability

Particulars	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Impact of the change in discount rate		
Present value of obligation at the end of the year	239.93	29.06
- Impact due to increase of 0.50 %	(16.42)	(2.03)
- Impact due to decrease of 0.50 %	18.10	2.23
Impact of the change in salary increase		
Present value of obligation at the end of the year	239.93	29.06
- Impact due to increase of 0.50 %	18.48	2.28
- Impact due to decrease of 0.50 %	(16.89)	(2.09)

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

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

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

Note - 36 - Employee benefits (contined)

(viii) Maturity profile of defined benefit obligation	As at 31 March 2019	As at 31 March 2018
Years		
0 to 1 year	8.19	0.78
1 to 2 year	4.08	0.48
2 to 3 year	6.33	0.49
3 to 4 year	4.22	0.48
4 to 5 year	4.14	0.41
5 to 6 year	4.05	0.43
6 year onwards	208.93	25.98

The employer best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity is Rs. 59.13 lakhs (31 March 2018: Rs. 19.39 lakhs).

B Compensated absences (non-funded)

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

Risks associated with plan provisions

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

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

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Present value of obligation	55.35	5.04	0.59
Fair value of plan assets	-	-	-
Net obligation recognised in balance sheet as provision	**55.35**	**5.04**	**0.59**

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

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	11.05	0.71
Past service cost including curtailment (gains)/losses	-	-
Interest cost on defined benefit obligation	2.86	0.04
Amount recognised in the statement of profit and loss	13.91	0.75

Note - 36 - Employee benefits (contined)

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

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Present value of defined benefit obligation as at the beginning of year	5.04	0.58
Acquisition adjustment-IN	69.36	-
Acquisition adjustment-OUT	(19.31)	-
Current service cost	11.05	0.71
Interest cost	2.86	0.04
Past service cost including curtailment gains/losses	-	-
Benefits paid	(6.83)	-
Actuarial loss/(gain) on obligation		
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	0.33	(0.35)
Actuarial (gain)/loss on arising from experience adjustment	(7.15)	4.06
Present value of defined benefit obligation as at the end of the year	**55.35**	**5.04**

Note - 36 - Employee benefits (continued)

(iv) Actuarial assumptions

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Discounting rate	7.65%	7.80%
Future salary increase	5.00%	5.00%
Retirement age (years)	60.00	60.00
Weighted average duration of PBO	19.59	21.28
Withdrawal rate		
Up to 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Leave		
Leave availment rate	5.00%	5.00%
Leave lapse rate while in service	Nil	Nil
Leave lapse rate on exit	Nil	Nil
Leave encashment rate while in service	Nil	Nil

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

(v) Sensitivity analysis for compensated absences

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Impact of the change in discount rate		
Present value of obligation at the end of the year	55.35	5.04
- Impact due to increase of 0.50 %	(4.04)	(0.36)
- Impact due to decrease of 0.50 %	4.48	0.39
Impact of the change in salary increase		
Present value of obligation at the end of the year	55.35	5.04
- Impact due to increase of 0.50 %	4.58	0.40
- Impact due to decrease of 0.50 %	(4.16)	(0.37)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these is not calculated
Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

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

(vi) Maturity profile of defined benefit obligation	As at 31 March 2019	As at 31 March 2018
years		
0 to 1 year	2.16	0.14
1 to 2 year	1.86	0.10
2 to 3 year	1.04	0.09
3 to 4 year	1.00	0.07
4 to 5 year	0.94	0.08
5 to 6 year	0.92	0.08
6 year onwards	47.43	4.48

The employer best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards compensated absences is Rs. 17.33 lakhs (31 March 2018: Rs. 1.55 lakhs).

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Note - 37

As per the best estimate of the management, no provision is required to be made as per Indian Accounting Standard 37 (Ind AS 37) - Provisions, Contingent Liabilities and Contingent Assets as specified under Section 133 of the Companies Act, 2013 (“the Act”) read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation, except for an estimated provision for contingencies for Rs. 642.22 (Previous year Nil) arising from the Company's contractual arragements, which has been appropriately debited to the Statement of Profit and Loss for the year ended 31 March 2019.

Note - 38

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 & 1 April 2017 Rs. Nil).

Note - 39

There are no contingent liabilities to be reported as at 31 March 2019 (31 March 2018 & 1 April 2017 Rs. Nil).

Note - 40

Capital commitments outstanding as at 31 March 2019 Rs. 1.19 lakhs (31 March 2018 Rs. 3.08 lakhs, 1 April 2017 Rs. Nil).

Note - 41

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**	**As at 01 April 2017**
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	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	Nil
(iv) The amount of interest due and payable for the year	Nil	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	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	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 - 42

There are no borrowing costs to be capitalised as at 31 March 2019 (31 March 2018: Rs. Nil, 1 April 2017 Rs. Nil).

Note - 43

Segment reporting

The Company’s primary business segment is reflected based on principal business activities carried on by it. The Company is engaged in the single primary business segment of underwriting/distribution of real estate projects on behalf of developers and related consultancy services. The Company operates solely in one Geographic segment namely "Within India". No further disclosures are required under Indian Accounting Standard 108, Operating Segments, as specified under Section 133 of the Companies Act, 2013 (“the Act”) read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other than those already provided in the financial statements.

Note - 44

Assets pledged as security

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

Particulars	**As at 31 March 2019**	**As at 31 March 2018**	**As at 1 April 2017**
Vehicles	19.76	22.94	-
Fixed deposits	300.00	-	-
Total assets pledged as security	319.76	22.94	-

Note - 45

In accordance with the provisions of section 135 of the Companies Act 2013, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms with the provisions of the said Act, the Company was to spend a sum of Rs 11.53 Lakhs (previous year Nil) towards CSR activities during the year ended 31 March 2019. The details of amount actually spent by the Company are:

	For the year ended 31 March 2019	**For the year ended 31 March 2018**
(a) Gross amount required to be spent by the company	11.53	-
(b) Amount spent on		
- Construction/acquisition of any asset	-	-
- Any other purpose other than above *	11.53	-
- Yet to be paid	-	-
	11.53	-

*Contribution towards donation/corpus fund paid to Indiabulls Foundation

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Indiabulls Investment Advisors Limited
(formerly known as Indiabulls Brokerage Limited)
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts in Rs. Lakhs unless stated otherwise)

Note - 46

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

(a) Details of related parties:

Nature of relationship	**Names of related parties**
(i) Where control exists	
Holding Company	Indiabulls Ventures Limited
- Entities under common control (Fellow Subsidiary Companies (including step down subsidiaries)	Indiabulls Securities Limited (formerly known as Indiabulls Commodities Limited)
	Devata Tradelink Limited
	Auxesia Soft Solutions Limited
	Indiabulls Distribution Services Limited
	India Ethanol and Sugar Limited *
	Positive Housings Private Limited (upto 30 March 2018)
	Indiabulls Alternate Investments Limited
	Indiabulls Consumer Finance Limited (Formerly known as IVL Finance Limited)
	Pushpanjli Finsolutions Limited
	Astilbe Builders Limited *
	Astraea Constructions Limited *
	Silenus Buildtech Limited *
	Arbutus Constructions Limited
	Gyansagar Buildtech Limited
	Pushpanjli Fincon Limited
	Indiabulls Consumer Products Limited
	Indiabulls Asset Reconstruction Company Limited
	Indiabulls Logistics Limited *
	Indiabulls Infra Resources Limited
(ii) Other related parties	
Key Management Personnel	Mr. Sameer Gehlaut , Individual exercising significant influence
	Mr. Divyesh B Shah, Chief Executive Officer and Whole Time Director of Indiabulls Ventures Limited
	Mr. Satish Chand, Director
	Mr. Pankaj Kumar, Whole time Director
	Mr. Amiteshwar Choudhary, Director (with effect from 29 August 2017)
	Mr. Vaseem Raja, Director

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

(b) Significant Transactions with Related Parties during the year ended 31 March 2019: **(Amount in Rs. lakhs)**

Nature of Transaction	**Holding Company**	**Entities under common control**	**Total**
Finance			
Inter Corporate Deposit Taken	22,510.81	23,183.44	45,694.25
(Maximum Balance Outstanding during the year)	*4,624.00*	*14,568.00*	*19,192.00*
Inter Corporate Deposit Given	-	-	-
(Maximum Balance Outstanding during the year)	-	*475.00*	*475.00*
Other current assets			
Other recievables (assignment of receivables)	-	-	-
	-	*13,328.24*	*13,328.24*
Income			
Interest income on Inter Corporate Deposits	-	-	-
	-	*5.49*	*5.49*
Consultancy Fees	-	-	-
	-	*1.00*	*1.00*
Expenses			
Interest expense on Inter Corporate Deposits	1,318.48	458.78	1,777.26
	229.06	*10.08*	*239.14*
Professional and Consultancy Charges	-	507.50	507.50
	-	*1,580.00*	*1,580.00*
Commission/Brokerage Expenses	-	800.00	800.00
	-	-	-
Reimbursement of Expenses received (Rent and office maintenance)	64.62	-	64.62
	2.10	-	*2.10*
Reimbursement of Expenses paid (Rent and office maintenance)	232.93	104.38	337.31
	307.76	92.40	*400.16*
Reimbursement of Expenses received (electricity)	11.15	-	11.15
	-	-	-
Reimbursement of Expenses received (Gratuity and compensated absences)	45.18	342.50	387.68
	-	-	-
Reimbursement of Expenses paid (Gratuity and compensated absences)	50.72	66.91	117.63
	-	-	-
Reimbursement of Expenses received (Salaries)	508.36	-	508.36
	-	-	-
Reimbursement of Expenses paid (Salaries)	-	-	-
	-	*2,365.38*	*2,365.38*

Note: Figures in italics relate to the previous year

Note - 46
Disclosures in respect of AS - 18 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended): (Continued)

(c) Outstanding as at 31 March 2019:

Nature of Transaction		Holding Company	Entities under common control	Total
Finance				
Inter Corporate Deposits Taken	As at 31 March 2019	-	22,988.44	22,988.44
	As at 31 March 2018	*661.00*	*14,568.00*	*15,229.00*
	As at 1 April 2017	-	-	-
Inter Corporate Deposits Given	As at 31 March 2019	-	-	-
	As at 31 March 2018	-	-	-
	As at 1 April 2017	-	*475.00*	*475.00*

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

Note - 47
Leases:
The Company has taken office premises on operating leases at various locations and lease rent of Rs. 339.64 lakhs (Previous Year Rs.374.61 lakhs) (net of apportionment) in respect of the same have been charged to the Statement of Profit and Loss. The agreements are executed for a period ranging from eleven months to nine years (including lock in period in certain cases) with a renewable clause and also provides for termination by either party giving a prior notice period ranging from one month to three months. The future minimum lease rentals payable are as follows:

Particulars	As at 31 March 2019	As at 31 March 2018
Within One year	124.40	72.45
One to Five years	418.14	256.64
More than Five years	213.89	31.11

Note - 48
During the year ended 31 March 2019, the Company has incurred Rs.11.53 lakhs (31 March 2018 Rs. Nil, 1 April 2017 Rs. Nil) towards expenditure on activities relating to its corporate social responsibility, by way of donation, in accordance with the requirements of Section 135 of the Companies Act 2013 and the applicable Rules thereon.

Note - 49
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 : Rs. Nil, 1 April 2017 Rs. Nil).

Note - 50
a) i) Expenses apportioned by the Holding Company/Fellow Subsidiary Company to the Company (excluding goods and services tax/service tax), during the year ended 31 March 2019 include:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Fellow Subsidiary Company		
- Salaries	-	2,365.38
- Gratuity and compensated absences	66.91	-
- Rent (including office maintenance)	104.38	92.40
Holding Company		
- Gratuity and compensated absences	50.72	-
- Rent (including office maintenance)	232.93	307.76

a) ii) Expenses apportioned by the Company to its Holding/Fellow Subsidiary Company (excluding goods and services tax/service tax), during the year ended 31 March 2019 include:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Fellow Subsidiary Company		
- Gratuity and compensated absences	342.50	-
Holding Company		
- Salaries	508.36	-
- Gratuity and compensated absences	45.18	-
- Electricity	11.15	-
- Rent (including office maintenance)	64.62	2.10

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

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(All amounts in Rs. Lakhs unless stated otherwise)

Note - 51

A Explanation of transition to Ind AS

Reconciliation of total equity as at 31 March 2018

Particulars	**Notes to first time adoption**	**As at 31 March 2018**		
		Previous GAAP*	**Effect of transition to Ind AS**	**Ind AS**
Assets				
Non-current assets				
Property, plant and equipment		121.97	-	121.97
Intangible assets		6.86	-	6.86
Financial assets				
Loans	51 E 4), 5)	3,439.38	(459.67)	2,979.71
Trade receivables	51 E 1)	4,229.99	(407.56)	3,822.43
Other financial assets	51 E 1)	13,328.24	(1,284.18)	12,044.06
Deferred tax assets(net)	51 E 6)	9.09	651.40	660.49
Other non-current assets	51 E 4)	6.28	6.75	13.02
Total non-current assets		**21,141.80**	**(1,493.26)**	**19,648.54**
Current assets				
Financial assets				
Trade receivables	51 E 1)	962.05	(92.69)	869.36
Cash and cash equivalents		12.72	-	12.72
Current tax assets (net)		223.37	-	223.37
Other current assets	51 E 4)	129.60	1.76	131.36
Total current assets		**1,327.74**	**(90.93)**	**1,236.81**
Total assets		**22,469.54**	**(1,584.19)**	**20,885.35**
Equity and liabilities				
Equity				
Equity share capital		550.00	-	550.00
Other equity	51 E 1), 2), 4), 5), 6)	1,130.73	(1,584.19)	(453.46)
Total equity		**1,680.73**	**(1,584.19)**	**96.54**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings		13.41	-	13.41
Non-current liabilities		150.00	-	150.00
Provisions		33.18	-	33.18
Total non-current liabilities		**196.59**	**-**	**196.59**
Current liabilities				
Financial liabilities				
Borrowings		15,229.00	-	15,229.00
Other financial liabilities		4,915.90	-	4,915.90
Other current liabilities		443.80	-	443.80
Provisions		0.92	-	0.92
Current tax liabilities (net)		2.60	-	2.60
Total current liabilities		**20,592.22**	**-**	**20,592.22**
Total equity and liabilities		**22,469.54**	**(1,584.19)**	**20,885.35**

* 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 Investment Advisors Limited
(formerly known as Indiabulls Brokerage Limited)
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts in Rs. Lakhs unless stated otherwise)

Note - 51 (Continued)
Reconciliation of total equity as at 1 April 2017

Particulars	Notes to first time adoption	As at 1 April 2017		
		Previous GAAP*	Effect of transition to Ind AS	Ind AS
Assets				
Non-current assets				
Property, plant and equipment		11.63	-	11.63
Deferred tax assets(net)	51 E 6)	2.77	0.30	3.07
Total non-current assets		**14.40**	**0.30**	**14.70**
Current assets				
Financial assets				
Cash and cash equivalents		5.41	-	5.41
Loans		475.00	-	475.00
Other current assets		2.22	-	2.22
Total current assets		**482.63**	**-**	**482.63**
Total assets		**497.03**	**0.30**	**497.33**
Equity and liabilities				
Equity				
Equity share capital		550.00	-	550.00
Other equity	51 E 6)	(61.79)	0.30	(61.49)
Total equity		**488.21**	**0.30**	**488.51**
Liabilities				
Non-current liabilities				
Provisions		4.59	-	4.59
Total non-current liabilities		**4.59**	**-**	**4.59**
Current liabilities				
Other current liabilities		0.62	-	0.62
Provisions		0.14	-	0.14
Current tax liabilities (net)		3.47	-	3.47
Total current liabilities		**4.23**	**-**	**4.23**
Total equity and liabilities		**497.03**	**0.30**	**497.33**

* 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 Investment Advisors Limited
(formerly known as Indiabulls Brokerage Limited)
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts in Rs. Lakhs unless stated otherwise)

Note - 51 (Continued)
Reconciliation of total comprehensive income for the year ended 31 March 2018

Particulars	**Notes to first time adoption**	**Previous GAAP***	**Effect of transition to Ind AS**	**Ind AS**
Revenue from operations	51 E 4)	7,196.78	(514.27)	6,682.51
Other income	51 E 4), 5)	5.49	63.58	69.07
Total revenue		**7,202.27**	**(450.69)**	**6,751.58**
Expenses				
Employee benefits expenses	51 E 2), 3)	2,735.53	(19.59)	2,715.94
Finance costs		240.43	-	240.43
Depreciation and amortisation expense		17.46	-	17.46
Other expenses	51 E 1)	2,532.75	1,784.91	4,317.66
Total expenses		**5,526.17**	**1,765.32**	**7,291.49**
Profit/(Loss) before exceptional items and tax		**1,676.10**	**(2,216.01)**	**(539.91)**
Tax expense				
Current tax		489.90	-	489.90
Earlier year's tax expense		(0.01)	-	(0.01)
Deferred tax	51 E 6)	(6.32)	(645.30)	(651.62)
Profit/ (Loss) for the year from continuing operations		**1,192.53**	**(1,570.71)**	**(378.18)**
Other comprehensive income				
(A) Items that will not be reclassified to profit or loss				
Re-measurement gain/(loss) on defined benefit plans	51 E 3)	-	(19.93)	(19.93)
Income tax relating to items that will not be reclassified to profit and loss	51 E 6)	-	5.80	5.80
Total comprehensive income/(loss) for the year		**1,192.53**	**(1,584.84)**	**(392.31)**

* 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. Lakhs unless stated otherwise)

Note - 51 (Continued)
First time adoption of Ind AS
These are the Company's first financial statements prepared in accordance with Ind AS.
The accounting policies set out in note 1 to 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.

B Ind AS optional exemptions

1 Deemed cost for property, plant and equipment and intangible assets
Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 *Intangible Assets*. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

2 Share based payments
Ind AS 102 Share based payments requires an entity to recognise the equity settled share based payment plans based on fair value of the stock options granted to employees instead of intrinsic value. Ind AS 101 permits a first time adopter to ignore such requirement for the options already vested as on transition date that is 1 April 2017. The Company has elected to apply this exemptions for such vested options.

C Ind AS mandatory exceptions
1 Estimates
An entity's estimates in accordance with Ind ASs 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.

Ind AS 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) 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.

Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

a) The effects of the retrospective application or retrospective restatement are not determinable;

b) The retrospective application or restatement requires assumptions about what management's intent would have been in that period;
The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

D 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

	Notes to first time adoption	As at 31 March 2018	As at 1 April 2017
Total equity (shareholder's funds) as per previous GAAP		**1,680.72**	**488.21**
Adjustments:			
Measurement of financial assets and financial liabilities at amortised cost	51 E 4), 5)	(451.15)	-
Expected credit loss	51 E 1)	(1,784.43)	-
Deferred tax impact	51 E 6)	651.40	0.30
Total adjustments		**(1,584.18)**	**0.30**
Total equity as per Ind AS		**96.54**	**488.51**

(All amounts in Rs. Lakhs unless stated otherwise)

Note - 51 (Continued)

2 Reconciliation of total comprehensive income for the year ended 31 March 2018

		For the year ended 31 March 2018
Profit after tax as per previous GAAP		**1,192.51**
Adjustments:		
Measurement of financial assets and financial liabilities at amortised cost	51 E 4), 5)	(451.15)
Expected credit loss	51 E 1)	(1,784.43)
Remeasurement of defined benefit obligations	51 E 3)	19.93
Share based payment reserve	51 E 2)	(0.34)
Deferred tax impact	51 E 6)	645.31
Total adjustments		**(1,570.68)**
Profit / (Loss) after tax as per Ind AS		**(378.17)**
Re-measurement (loss)/gain on defined benefit plans		(19.93)
Income tax relating to remeasurement on defined benefit plans		5.80
Total comprehensive income as per Ind AS		**(392.30)**

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 used in operating activities	(14,869.06)	-	(14,869.06)
Net cash flow used in investing activities	(129.17)	-	(129.17)
Net cash flow generated from financing activities	15,005.54	-	15,005.54
Net increase/(decrease) in cash and cash equivalents	**7.31**	-	**7.31**
Cash and cash equivalents as at 1 April 2017	5.41	-	5.41
Cash and cash equivalents as at 31 March 2018	**12.72**	**-**	**12.72**

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

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Note - 51 (Continued)

E Notes to first time adoption

1 Impairment allowance on trade and other receivables

As per Ind AS 109, the Company is required to apply expected credit loss model (provision matrix approach) for recognising the allowance for doubtful receivables. As a result, allowance for doubtful receivables increased by Rs. 1784.43 lakhs as at 31 March 2018 (1 April 2017: Rs. Nil). Consequently, total equity as at 31 March 2018 decreased by Rs. 1784.43 lakhs (1 April 2017: Rs. Nil) and profit for the year ended 31 March 2018 decreased by Rs. 1784.43 lakhs .

2 Share based payment reserve

Under Ind AS, the cost of equity settled share-based plan is recognised based on the fair value of the options as at the grant date. Consequently, the amount recognised in share based payment reserve account increased by Rs. 1.33 lakhs as at 31 March 2018 (1 April 2017-Rs. 0.99 lakhs). The profit for the year ended 31 March 2018 decreased by Rs. 0.34 lakhs.There is no impact on total equity.

3 Remeasurement of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses on defined benefit plan liabilities are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, such remeasurements were charged to profit or loss for the respective year. As a result of this change, the profit for the year ended 31 March 2018 increased by Rs.19.93 lakhs. There is no impact on the total equity as at 31 March 2018.

4 Underwriting deposits

Under the previous GAAP, interest free underwriting deposits (that are refundable in cash on completion of the underlying arrangements) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these underwriting deposits under Ind AS. Difference between the fair value and transaction value of the underwriting deposit has been recognised as revenue. Consequent to this change, the amount of underwriting deposits decreased by Rs. 451.07 lakhs as at 31 March 2018 (1 April 2017 – Rs. Nil). The profit for the year and total equity as at 31 March 2018 decreased by Rs. 451.07 lakhs due to deferral of interest income of Rs. 514.27 lakhs which is partially off-set by the notional interest income of Rs. 63.19 lakhs recognised on underwriting deposits.

5 Security deposits

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent. Consequent to this change, the amount of security deposits decreased by Rs. 8.59 lakhs as at 31 March 2018 (1 April 2017 – Rs, Nil). The prepaid rent increased by Rs. 8.51 lakhs as at 31 March 2018 (1 April 2017-Rs. Nil). There is no impact on total equity as at 1 April 2017. The profit for the year and total equity as at 31 March 2018 decreased by Rs. 0.47 lakhs due to amortisation of the prepaid rent of Rs. 0.47 lakhs which is partially off-set by the notional interest income of Rs. 0.37 lakhs recognised on security deposits.

6 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.

7 Retained earnings

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

8 Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as ‘other comprehensive income’ includes re-measurements of defined benefit plans and their corresponding income tax effects. The concept of other comprehensive income did not exist under previous GAAP.

As per our report of even date

For A Sardana & Co. Chartered Accountants Firm Registration No. 021890N	For and on behalf of the Board of Directors		
Ajay Sardana Partner Membership No. 089011 New Delhi: 24 April 2019	Satish Chand Director DIN: 00473988 New Delhi: 24 April 2019	Vaseem Raja Director DIN: 07709789	Ram Mehar Garg Company Secretary AKJPM3656K