



September 8, 2021

**Scrip Code – 533520**

**BSE Limited**

Phiroze Jeejeebhoy Towers,

Dalal Street,

MUMBAI – 400 001

**YAARII**

**National Stock Exchange of India Limited**

“Exchange Plaza”, Bandra-Kurla Complex,

Bandra (East),

MUMBAI – 400 051

**Subject: Convening of Fourteenth Annual General Meeting of Yaarii Digital Integrated Services Limited (formerly Indiabulls Integrated Services Limited) (“the Company”)**

Dear Sirs,

Pursuant to the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that the Fourteenth Annual General Meeting of the Shareholders of the Company (“AGM”) will be held on **Thursday, September 30, 2021 at 4:30 P.M. (IST)** through Video Conferencing / Other Audio Visual Means, without the physical presence of Members at a common venue, in compliance with General Circular Nos. 14/2020, 17/2020, 20/2020 and 02/2021 dated, April 08, 2020, April 13, 2020, May 05, 2020, and January 13, 2021 respectively, issued by the Ministry of Corporate Affairs and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated May 12, 2020 and January 15, 2021 respectively issued by the Securities and Exchange Board of India (“Circulars”).

We hereby enclose herewith Notice convening AGM and Annual Report for the financial year 2020-21. The said documents are also uploaded on the website of the Company viz. [www.yaari.com](http://www.yaari.com). Further, please note that the Company has, today i.e. September 8, 2021, completed the dispatch of the Notice of AGM and Annual Report for the financial year 2020-21, through e-mail, to all its shareholders, holding equity shares of the Company as on August 27, 2021 and whose email IDs are registered with the Company/Depositories, in compliance with aforementioned Circulars.

The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, September 27, 2021 to Thursday, September 30, 2021 (both days inclusive), for annual closing (for the purpose of AGM).

This is for your information and record.

Thanking you,

Yours truly,

for **Yaarii Digital Integrated Services Limited**

Priya Jain

*Company Secretary*

*Encl: as above*

**Yaarii Digital Integrated Services Limited**

*(formerly Indiabulls Integrated Services Limited)*

Registered Office: Plot No. 448-451, Udyog Vihar, Phase-V, Gurugram-122016, Haryana | Tel: 0124 6681199 | Fax: 0124 6681111

Corporate Office: One International Center (formerly IFC), Tower - 1, 4th Floor, S. B. Marg, Elphinstone (W), Mumbai – 400013, Maharashtra | Tel: 022 62498580 | Fax: 022 61899600

CIN: L51101HR2007PLC077999, Website: [www.yaari.com](http://www.yaari.com), Email: [talktous@yaari.com](mailto:talktous@yaari.com)



## Yaari Digital Integrated Services Limited

(formerly Indiabulls Integrated Services Limited)

(CIN: L51101HR2007PLC077999)

Registered Office: Plot No. 448-451, Udyog Vihar, Phase-V, Gurugram-122016, Haryana

Website: www.yaari.com, E-mail: cs.iwsl@indiabulls.com,

Tel: 0124-6681199, Fax: 0124-6681111

### NOTICE

**NOTICE** is hereby given that the **FOURTEENTH ANNUAL GENERAL MEETING** of the Members of **Yaari Digital Integrated Services Limited** (formerly Indiabulls Integrated Services Limited) will be held on Thursday, the 30th day of September, 2021 at 4:30 P.M. ("**AGM**") through Video Conferencing ("**VC**") / Other Audio Visual Means ("**OAVM**"), in view of the pandemic situation of novel strain of corona virus ("**COVID-19**") and pursuant to the guidelines and notification issued by the Ministry of Home Affairs, Government of India and in light of the MCA Circulars and pursuant to applicable provisions of the Companies Act and Rules made thereunder, to seek the consent of the shareholders of the Company ("**Members**"), on the agenda herein below.

The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited standalone and consolidated financial statements of the Company as at March 31, 2021, and the Reports of the Board and Auditors thereon.
2. To appoint a Director in place of Mr. Ajit Kumar Mittal (DIN: 02698115), Non-Executive Director, who retires by rotation and being eligible, offers himself for re-appointment.

#### **SPECIAL BUSINESS:**

##### **Item No. 3:**

**To consider and if thought fit, to pass the following resolution as a Special Resolution for the appointment of Mr. Kubeir Khara (DIN: 03498226) as Executive Director and Key Managerial Personnel of the Company, designated as Chief Executive Officer, for a period of five years with effect from January 1, 2021:**

"**RESOLVED THAT** pursuant to applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), Mr. Kubeir Khara (DIN: 03498226), be and is hereby appointed as a director, liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (Act) read with Schedule V to the Act and applicable Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to the appointment of Mr. Kubeir Khara (DIN: 03498226), as Executive Director and Key Managerial Personnel of the Company, designated as Chief Executive Officer, for a period of five years with effect from January 1, 2021, presently at a remuneration, as set out in the explanatory statement pursuant to Section 102 of the Companies Act, 2013, annexed to this Notice, subject however that the remuneration to be paid shall be as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors of the Company (the Board) from time to time, during his said tenure, which shall be within the overall ceiling of remuneration prescribed in the Act read with Schedule V and applicable Rules thereto, as amended from time to time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things including modification of terms and conditions of his appointment and/or remuneration, as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid authorization, without being required to seek any fresh approval from the members of the Company."

##### **Item No. 4:**

**To consider and if thought fit, to pass the following resolution as a Special Resolution, for re-appointment of Mr. Praveen Kumar Tripathi, a retired IAS and Ex-Chief Secretary, Govt. of NCT Delhi (DIN: 02167497), as an Independent Director:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Praveen Kumar Tripathi, a retired IAS and Ex-Chief Secretary, Govt. of NCT Delhi (DIN: 02167497), who was appointed as an Independent Director of the Company w.e.f. March 28, 2019, and whose existing term will expire on March 27, 2022, be and is hereby re-appointed as an Independent Director of the Company for a second term of three years from March 28, 2022 up to March 27, 2025 AND THAT he shall not be liable to retire by rotation."

**Item No. 5:**

**To consider and if thought fit, to pass the following resolution as a Special Resolution, for issue of Non-Convertible Debentures and/or Bonds of the Company, on private placement basis:**

**“RESOLVED THAT** pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder, as amended, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time, and subject to other applicable regulations/ guidelines, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called the “Board”, which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers conferred by this resolution) to issue Redeemable Non-Convertible Debentures (“NCDs”) and/or Bonds, secured or unsecured, for cash either at par or premium or discount, under one or more shelf disclosure documents and/or under one or more letters of offer, in one or more tranches /series, from time to time, on private placement basis upto an amount not exceeding Rs. 500 Crore, outstanding at any point of time during a period of one year from the date of passing of this Resolution, which shall be within the overall borrowing limits, as per shareholders’ existing authorization.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which NCDs/ Bonds shall be issued, from time to time, as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such other acts, deeds and things, as it may deem necessary, in its absolute discretion, including to execute all such agreements, documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred, to any Committee of Directors and/or directors and/or officers of the Company, to give effect to the authority of this resolution.”

**Item No. 6**

**To consider and, if thought fit to pass the following resolution as a Special Resolution, for change in the name of the Company to ‘Yaari Digital Integrated Services Limited’ and consequential amendment to Memorandum of Association and Articles of Association of the Company:**

**“RESOLVED THAT** in order to reflect the name of the Company in sync with its digital platform and logo “Yaari”, launched by the Company to provide a social commerce marketplace for a bouquet of curated consumer products, of which the Company has proprietary rights, and to charter right direction for its continuous focus around promoting digital platform businesses, consent of the members of the Company be and is hereby accorded, pursuant to the provisions of Section(s) 3, 4, 13 and 14 and all other applicable provisions, if any, of the Companies Act, 2013, read with applicable Rules and Regulations framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable law(s), regulation(s), guideline(s), and subject to the confirmation of availability of the proposed name by the concerned Office of Registrar of Companies, Ministry of Corporate Affairs, Government of India and the approvals, consents, sanctions and permissions of the Central Government/ Stock exchange(s)/appropriate regulatory and statutory authorities, to change the name of the Company to ‘**Yaari Digital Integrated Services Limited**’, by just removing the one additional “i” from the existing prefix Yaarii,. Yaari app is a social commerce marketplace for a bouquet of curated consumer products including, but not limited to, Fashion, Beauty and Personal care and electronics etc. Yaarii is a mobile first business available for access anywhere anytime through its Android & iOS Application. Ever since its inception, Yaarii has managed to help customers with their personal requirements of various financial products and is now venturing into business to fulfil customers’ personal requirements in terms of consumer goods.

**RESOLVED FURTHER THAT** Clause I (Name Clause) of the Memorandum of Association of the Company be altered so as to read as under:

I. The name of the Company is ‘Yaari Digital Integrated Services Limited’.

**RESOLVED FURTHER THAT** the extant name of the Company wherever appearing in the Memorandum and Articles of Association be changed accordingly.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any committee constituted by the Board and/or the persons authorized by the Board/committee) be and is hereby authorized to do all such acts, deeds, matters and things, including without limitation finalization and/or execution and/or filing of any document, form, applications etc that may be required to give effect to the above authorization, in its absolute discretion, without being required to seek any fresh approval of the members of the Company.”

By Order of the Board of Directors  
For **Yaarii Digital Integrated Services Limited**

Sd/-  
**Priya Jain**

Company Secretary  
(Membership No. A19925)

Place: Gurugram

Date: September 6, 2021

**NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, in respect of the business as set out in the AGM Notice is annexed hereto.
2. Considering the present COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 (collectively referred to as “MCA Circulars”) Securities and

Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/ CMD1/ CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – COVID-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID-19 pandemic" (collectively referred to as "SEBI Circulars") permitted convening the Annual General Meeting ("AGM"/ "Meeting" / e-AGM) through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, SEBI Circulars, provisions of the Companies Act, 2013 ('the Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

The Company has made arrangements through KFin Technologies Private Limited (KFin/KFintech), Registrars and Transfer Agents, to provide Video Conferencing (VC) / Other Audio-Visual Means (OAVM) facility for the Annual General Meeting and for conducting of the e-AGM.

3. Pursuant to the provisions of Section 105 the Companies Act, a Member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his/ her behalf and the Proxy need not be a Member of the Company. However, since this AGM is being held pursuant to the applicable MCA and SEBI Circulars as mentioned hereinabove, through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this AGM Notice.
4. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. Corporate Members intending to depute their authorized representatives to attend the Meeting through VC/ OAVM are requested to send to the Company a certified true copy of the Board Resolution at nishantmittal1995@gmail.com with a copy marked to evoting@kfintech.com authorizing a representative to attend and vote at the Meeting on their behalf.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
7. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, and all documents referred to in the Notice, are available for inspection by the Members electronically from the date of circulation of this Notice up to the date of the 14th AGM.
8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agent M/s KFin Technologies Private Limited for assistance in this regard.
9. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, September 27, 2021 to Thursday, September 30, 2021 (both days inclusive) for the purpose of 14th AGM of the Company.
10. The Company has appointed Mr. Nishant Mittal, (Membership No. 553860), Proprietor of M/s. N Mittal & Associates, Practicing Chartered Accountants, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
11. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Companies Act, 2013. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to the RTA of the Company. Members holding shares in electronic mode may contact their respective DPs for availing this facility.
12. SEBI has mandated submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to provide their PAN details to their respective DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA.
13. Members of the Company are requested to note that as per the provisions of Section 124 of the Companies Act, 2013, dividends not encashed/ claimed by the Members of the Company, within a period of 7 (seven) years from the date of declaration of dividend, shall be transferred to the Investor Education and Protection Fund (IEPF) by the Company. Accordingly, the unclaimed dividend of ₹ 2,50,376/- pertaining to the Financial Year 2012-13 got transferred to Investor Education and Protection Fund after giving due notice to the members. Also, the Company has transferred 42,766 equity shares pertaining to the Financial Year 2012-13 in respect of which dividend has not been received or claimed for seven consecutive years to Demat Account of IEPF Authority. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.
14. The details of Dividends declared and paid by the Company and the corresponding tentative due dates for transfer of such un-cashed/ un-claimed dividend to IEPF are provided on the website of the Company at www.yaari.com.

Members who have not encashed/claimed the dividend warrant(s) so far in respect of the those Financial Years are, therefore, requested to make their claims to the RTA of the Company well in advance of the above tentative dates.

Further, pursuant to the provisions of Section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority Rules, 2016 (IEPF Rules), all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF suspense account (in the name of the Company) within 30 (thirty) days of such shares becoming due for transfer to the Fund.

Members/claimants whose shares and/or unclaimed dividend have been transferred to the Fund, may claim the shares or apply for refund by making an application to IEPF Authority in Form No. IEPF-5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) along with requisite fees as decided by the Authority from time to time. Members/claimants can file only one consolidated claim in a Financial Year as per IEPF Rules. The Company and IEPF Authority shall deal with the application in the manner provided in IEPF Rules.

It is in the Members interest to claim any un-cashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members account on time. The details of the unclaimed dividends are available on the Company's website at [www.yaari.com](http://www.yaari.com) and IEPF authority's website at [www.iepf.gov.in](http://www.iepf.gov.in).

15. In accordance with, the General Circular No. 20/2020 dated May 05, 2020 issued by MCA, read with circulars no. 14/2020 dated April 8, 2020, no. 17/2020 dated April 13, 2020 and no. 02/2021 dated January 13, 2021, Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/ CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

As physical copies of the Annual Report 2020-21 will not be sent by the modes permitted under Companies Act, 2013, the Annual Report and 14th AGM Notice are available on the Company's website at [www.yaari.com](http://www.yaari.com) and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of KFinTech at <https://evoting.kfintech.com>, for those members whose email ids are not registered with the Company/KFin.

Rule 18 of the Companies (Management and Administration) Rules, 2014 requires a company to provide advance opportunity at least once in a Financial Year to the Members to register his/her e-mail Ids and any changes therein. In accordance with the said requirements, we request the Members who do not have their e-mail Ids registered, get the same registered with the Company or changes therein by submitting a duly filled-in 'E-communication Registration Form' appended to this 14th AGM Notice as well as available on the Company's website under the heading "Investors > AGM 2020-21" by the name "E-Communication Registration Form". Alternatively, those shareholders who have not yet registered their email address are requested to get their email addresses registered with their DP or RTA at the link <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx> for electronic and Physical folios respectively.

16. Members desiring any information with regard to financial statements are requested to write to the Company at an early date so as to enable the management to keep the information ready.

#### 17. PROCEDURE FOR REMOTE E-VOTING

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFinTech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
- ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the **individual demat account holders**, by way of single login credential, through their demat accounts/ websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- iv. The remote e-Voting period commences **Monday, September 27, 2021 at 10.00 A.M. and ends on Wednesday, September 29, 2021 at 5.00 P.M.**
- v. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Thursday, September 23, 2021**.
- vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@kfintech.com](mailto:evoting@kfintech.com). However, if he / she is already registered with KFinTech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."
- viii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

**Step 1:** Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access to KFinTech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

**Step 3:** Access to join virtual meetings (e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.

Details on Step 1 are mentioned below:

**I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p><b>1. User already registered for IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section.</li> <li>III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”</li> <li>IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</li> </ol> <p><b>2. User not registered for IDeAS e-Services</b></p> <ol style="list-style-type: none"> <li>I. To register click on link : <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Select “Register Online for IDeAS” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>III. Proceed with completing the required fields.</li> <li>IV. Follow steps given in points 1</li> </ol> <p><b>3. Alternatively by directly accessing the e-Voting website of NSDL</b></p> <ol style="list-style-type: none"> <li>I. Open URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></li> <li>II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section.</li> <li>III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</li> <li>IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e. KFintech.</li> <li>V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<p><b>1. Existing user who have opted for Easi / Easiest</b></p> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Click on New System Myeasi</li> <li>III. Login with your registered user id and password.</li> <li>IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal.</li> <li>V. Click on e-Voting service provider name to cast your vote.</li> </ol> <p><b>2. User not registered for Easi/Easiest</b></p> <ol style="list-style-type: none"> <li>I. Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>II. Proceed with completing the required fields.</li> <li>III. Follow the steps given in point 1</li> </ol> <p><b>3. Alternatively, by directly accessing the e-Voting website of CDSL</b></p> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Provide your demat Account Number and PAN No.</li> <li>III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</li> <li>IV. After successful authentication, user will be provided links for the respective ESP, i.e <b>KFintech</b> where the e- Voting is in progress.</li> </ol>

Type of shareholders	Login Method
Individual Shareholder login through their demat accounts / Website of Depository Participant	<p>I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</p> <p>II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>III. Click on options available against company name or e-Voting service provider – <b>Kfintech</b> and you will be redirected to e-Voting website of <b>KFintech</b> for casting your vote during the remote e-Voting period without any further authentication.</p>

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: <b>1800 1020 990</b> and <b>1800 22 44 30</b>
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at <b>022- 23058738</b> or <b>022-23058542-43</b>

Details on Step 2 are mentioned below:

**II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

- A. Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:
- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
  - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
  - iii. After entering these details appropriately, click on "LOGIN".
  - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - v. You need to login again with the new credentials.
  - vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'Yaarii Digital Integrated Services Limited AGM' and click on "Submit".
  - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
  - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
  - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
  - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id nishantmittal1995@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name\_Even No."
- B. Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:
- i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with Kfintech, by accessing the link: <https://ris.kfintech.com/clientservices/mobileereg/mobileemailreg.aspx> Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.
  - ii. Alternatively, member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
  - iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

**Details on Step 3 are mentioned below:**

**III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.**

- i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by Kfintech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/Kfintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.
- ii. Facility for joining AGM through VC/ OAVM shall open at least 15 minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number at [cs.iwsl@indiabulls.com](mailto:cs.iwsl@indiabulls.com) Questions /queries received by the Company till September 28, 2021 shall only be considered and responded during the AGM.
- vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- viii. Facility of joining the AGM through VC / OAVM shall be available for at least 2000 members on first come first served basis.
- ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

**OTHER INSTRUCTIONS**

- I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will be opened from September 27, 2021 to September 28, 2021. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.
- II. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will be opened from September 27, 2021 to September 28, 2021.



- III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (KFintech Website) or contact Mr. PSRCH Murthy, Manager – RIS, at [evoting@kfintech.com](mailto:evoting@kfintech.com) or call KFintech’s toll free No. 1-800-309-4001 for any further clarifications.
- IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, September 23, 2021, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- V. This AGM Notice and is being sent to all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on August 27, 2021. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:
- i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399  
Example for NSDL:  
MYEPWD <SPACE> IN12345612345678  
Example for CDSL:  
MYEPWD <SPACE> 1402345612345678  
Example for Physical:  
MYEPWD <SPACE> XXXX1234567890
  - ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/> , the member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com).
- VI. The Scrutinizer shall, immediately after the conclusion of AGM, count the votes cast at the AGM and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses, who are not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer’s Report of the total votes cast in favour of or against, if any, within the prescribed time limit after the conclusion of the AGM to the Chairman or a person authorised by him. The Chairman or any other person authorised by him shall declare the result of the voting forthwith.
- VII. The resolution(s) will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolution(s). The Results declared along with the Scrutinizer’s Report(s) will be available on the website of the Company at [www.yaari.com](http://www.yaari.com) and Service Provider’s website at <https://evoting.kfintech.com> and the communication will be sent to the BSE Limited and National Stock Exchange of India Limited.

## **EXPLANATORY STATEMENT IN RESPECT OF THE ORDINARY/SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, READ WITH REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) sets out all material facts relating to the ordinary/special business mentioned at Item Nos. 2 to 6 of the accompanying Notice dated September 6, 2021.

### **Item No. 2: Ordinary Resolution, for appointment of Mr. Ajit Kumar Mittal (DIN: 02698115), Non-Executive Director, who retires by rotation and being eligible, offers himself for re-appointment**

Mr. Ajit Kumar Mittal, aged 62 years, is on the Board of the Company since December 8, 2017. He has rich and varied experience of around 3 decades in regulatory, governance, compliances, risk management, business strategy and finance sector, by virtue of his close involvement with the growth and evolution of India’s financial sector. Mr. Mittal worked for more than twenty years at the Reserve Bank of India (RBI) at middle and senior management positions and has been at the forefront of macroeconomic and financial sector issues. As General Manager of the Banking Supervision in RBI, he was responsible for monitoring and surveillance of country’s banking system for five years. Mr. Mittal was closely involved in coordination with various financial markets, e.g. debt, money, forex and capital market. Mr. Mittal also worked as Financial Sector Advisor to Qatar Central Bank during the 2006-07. Mr Mittal is associated with Indiabulls group since 2007 and handling risk management, regulatory, governance and compliance issues in the financial services business, besides being involved in the overall business strategy and has proven execution skills.

The main terms and conditions of appointment of Mr. Ajit Kumar Mittal, as Non-Executive Director of the Company are as under:

<b>Period</b>	N.A.
<b>Nature</b>	Director, liable to retire by rotation
<b>Designation</b>	Non-Executive Director
<b>Remuneration</b>	NIL
<b>Performance and Related Incentive</b>	NIL
<b>Sitting fees</b>	NIL

During the FY 2020-21, no remuneration was paid to Mr. Ajit Kumar Mittal.

Mr. Mittal is a Masters of Arts in Economics and a Master of Science in Business Administration with Academic Excellence from University of Illinois, U.S.A. He does not hold any shares in the Company and is not related to any other director/ Key Managerial Personnel of the Company and is not debarred or disqualified from being continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. Number of board meetings attended by Mr. Mittal during FY 2020-21, is provided in Corporate Governance Report, forming part of the Annual Report 2020-21.

He is also a director on the Board of Indiabulls Housing Finance Limited, Indiabulls Life Insurance Company Limited, Indiabulls Trustee Company Limited, Indiabulls Commercial Credit Limited, Indiabulls Asset Reconstruction Company Limited, Dhani Loans and Services Limited and Transerv Limited.

Mr. Ajit Kumar Mittal is Chairman of Stakeholders’ Relationship Committee of the Company; of Audit Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee of Indiabulls Asset Reconstruction Company Limited and of Customer Grievance Committee and Risk Management Committee of Indiabulls Housing Finance Limited and of Integrated Risk Management Committee of Dhani Loans and Services Limited. He is member of Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Compensation Committee and Risk Management Committee of the Company; of Audit Committee and Corporate Social Responsibility Committee of Dhani Loans and Services Limited.

Mr. Ajit Kumar Mittal (DIN: 02698115), a Non-Executive Director, is retiring by rotation and being eligible, has offered himself for re-appointment, as a Director liable to retire by rotation. Accordingly, keeping in view his excellent leadership and guidance skills, vast professional experience in diversified fields including regulatory, compliance, finance, business administration, risk management etc, to ensure the continuity of guidance from him, the Board recommends the resolution as set out at Item No. 2 of this Notice, for the approval by the shareholders, as an Ordinary resolution to re-appoint.

Except the proposed appointee, in resolution set out at Item No. 2 of this Notice, proposing his re-appointment, none of the Promoters, Directors and Key Managerial Personnel (KMPs) of the Company or any relatives of such Promoters, Directors or KMPs, are in any way concerned or interested, financially or otherwise, in the resolution.

### **Item No. 3: Special Resolution for the appointment of Mr. Kubeir Khera (DIN: 03498226) as Executive Director and Key Managerial Personnel of the Company, designated as Chief Executive Officer, for a period of five years with effect from January 1, 2021**

Mr. Kubeir Khera (DIN: 03498226), was appointed by the Board as an Executive Director and Key Managerial Personnel, designated as CEO of the Company, for a period of 5 years with effect from January 1, 2021. Being an additional director appointed by the Board, Mr. Khera holds his office as such upto the date of ensuing AGM and therefore, consent of the Members is required for his appointment as a Director, liable to retire by rotation, and also for his appointment as an Executive Director and Key Managerial Personnel, designated as CEO of the Company, for a period of 5 years with effect from January 1, 2021, at a remuneration, as may be recommended by the N&R Committee and approved by the Board, from time to time during his tenure, subject to the overall ceiling of remuneration prescribed in the Act read with Schedule V and applicable Rules thereto, as amended from time to time. Keeping in view his vast experience and

managerial skills and his dedicated involvement and association with the 'Yaari' platform from its inception, including conceptualizing, launch, transition and expansion along with implementing innovative plans, the Board, basis the recommendation of the Nomination and Remuneration Committee, recommends his appointment as director, liable to retire by rotation and as an Executive Director and Key Managerial Personnel of the Company, designated as Chief Executive Officer, as set out at Item No. 3 of this Notice, for the approval of the Members of the Company by way of a Special Resolution.

**Brief Profile of Mr. Kubeir Khera (DIN: 03498226), CEO & Executive Director, is as under:**

Mr. Kubeir Khera, aged 39 years, is a distinguished & committed professional with rich & varied experience of over 14 years in brand-building, marketing & sales across advertising, financial services and real estate sectors. Mr. Khera is associated with the 'Yaari' platform from its inception, including conceptualizing, launch, transition and expansion along with implementing innovative plans for accomplishment of targets and through his keen insights and extensive cross-functional experience, he has developed a deep understanding of digital businesses. Yaari app is a social commerce marketplace for a bouquet of curated consumer products including, but not limited to, Fashion, Beauty and Personal care and electronics. Yaarii is a mobile first business available for access anywhere anytime through its Android & iOS Application. Under the able guidance and leadership of Mr Khera, in a short span since its inception, Yaarii has managed to help customers with their personal requirements of various financial products and is now venturing into business to fulfil customers' personal requirements in terms of consumer goods.

Mr. Khera holds a B.Tech. degree in Electronics & Communication Engineering and an MBA in Marketing. He has been associated with Indiabulls Group for over last 13 years at middle and senior management positions. With cross-functional experience in strategizing and executing on corporate vision, Mr. Khera has successfully demonstrated track record in overcoming complex business challenges and delivering on high-impact decisions. He played an instrumental role in maximizing revenue growth despite intensely competitive environment and massive headwinds for the last few years. Prior to joining Indiabulls, he was responsible for business development and communication for a leading MNC in India.

The main terms and conditions for appointment of Mr. Khera, as CEO & Executive Director and Key Managerial Personnel of the Company, are as under:

<b>Period</b>	5 (five) years with effect from January 1, 2021
<b>Nature</b>	Liable to retire by rotation
<b>Designation</b>	CEO & Executive Director
<b>Remuneration</b>	Rs. 1 crore per annum, excluding stock options, subject to an upward revision, as may be recommended by N&R Committee and approved by the Board.
<b>Stock-based Employee Benefits</b>	Stock options or SARs or other share based benefits, in terms of the ESOP / ESBS Schemes of the Company.
<b>Sitting fees</b>	Nil

He is also a director on the Board of YDI Consumer India Limited, Devata Tradelink Limited, Vindhyaachal Developers Limited, Kaltha Developers Limited, Karakoram Properties Limited and Shivalik Properties Limited. He does not hold membership in any of Committee constituted by any Company. Mr. Khera does not hold any equity shares in the Company and is neither related to any other director or key managerial personnel of the Company nor is debarred from holding the office of director by virtue of any order passed by SEBI or any other such authority. Number of board meetings attended by Mr. Khera during FY 2020-21, is provided in Corporate Governance Report, forming part of the Annual Report 2020-21.

The actual remuneration payable/to be paid to Mr. Khera, from time to time during his tenure, shall be subject to overall ceiling of remuneration prescribed in the Act read with Schedule V and applicable Rules thereto, as amended from time to time. Since Mr. Khera is associated with the 'Yaari' platform since its inception, including conceptualizing, launch, transition and expansion, to ensure continuity of guidance and benefits of his management and operational skills, pursuant to the recommendation by the Nomination & Remuneration Committee and in terms of the provisions of Section 196 and 197, Schedule V and other applicable provisions of the Companies Act, 2013, shareholders' approval, by way of Special Resolution, is being sought for his appointment as an Executive Director and Key Managerial Personnel, designated as CEO, of the Company, for a period of 5 years with effect from January 1, 2021, and for payment of remuneration to him. The Board accordingly recommends, passing of Special Resolution, as set out at Item No. 3 of this Notice, for the approval of the Members of the Company.

Except the proposed appointee, in resolution set out at Item No. 3 of this Notice, proposing his re-appointment, none of the Promoters, Directors and Key Managerial Personnel (KMPs) of the Company or any relatives of such Promoters, Directors or KMPs, are in any way concerned or interested, financially or otherwise, in the resolution.

**Item No. 4: Special Resolution, for re-appointment of Mr. Praveen Kumar Tripathi, a retired IAS and Ex-Chief Secretary, Govt. of NCT Delhi (DIN: 02167497), as an Independent Director:**

The current term of Mr. Praveen Kumar Tripathi (DIN: 02167497), a retired IAS and Ex-Chief Secretary, Govt. of NCT Delhi, as Independent Director of the Company, shall come to an end on March 27, 2022, and his re-appointment for a second term of three years w.e.f. March 28, 2022, is recommend for the approval by the shareholders at the ensuing 14th Annual General Meeting. Keeping in view his excellent leadership skills, guidance abilities and vast professional experience in diversified fields including management, administration, regulatory, public policy matters etc., upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company (Board) had recommended re-appointment of Mr. Praveen Kumar Tripathi, as Independent Director of the Company for a second term of 3 (three) years w.e.f. March 28, 2022.

**Brief Profile of Mr. Praveen Kumar Tripathi is as under:**

Mr. Praveen Kumar Tripathi, aged about 68 years, is a retired IAS officer. During his illustrious career, as an IAS officer, spanning over 40 years in public service 1977 to 2017 December (including 5 years as Chairman - Public Grievances Commission & Police Complaints Authority), he held various key senior positions at state and center level such as Principal Secretary to Chief Minister, Govt of NCT Delhi; Chief Secretary – Govt of NCT Delhi; Joint Secretary - Ministry of Information & Broadcasting, Govt. of India; Director - Indian Institute of Mass Communication; CEO - Delhi Jal Board, NCT Delhi; Commissioner Sales Tax - NCT Delhi; Development Commissioner & Chief Electoral Officer - A&N Islands; Director Total Literacy Campaign (National Literacy Mission) - Department of Education, Ministry of HRD; Commissioner Land - Delhi Development Authority; Commissioner Excise & Entertainment Tax – NCT Delhi; Secretary - New Delhi Municipal Committee; Deputy Commissioner and Secretary to Lt. Governor in Arunachal Pradesh etc.

He has also been on the Board / Governing Council of Indraprastha Apollo Hospital, Delhi Metro Rail Corporation, TATA Power Ltd., BSES Rajdhani Power Ltd., BSES Yamuna Power Ltd., Institute of Biliary and Livery Sciences, Delhi, and National Law School, Delhi.

Dynamism and human approach are the hallmark of his persona. He is known as committed professional having rich and varied experience. He has successful leadership and governance abilities, expertise in management and administrative matters, project execution and operational matters. His firm and tactful handling of sensitive and tricky issues has seen the organisation, with which he was associated, emerge a winner at all times.

Mr Tripathi is a post graduate in political science from Allahabad University and a Gold Medalist for securing highest marks in political science at under-graduate level in the University.

The main terms and conditions of re-appointment of Mr. Praveen Kumar Tripathi, as Independent Director of the Company, w.e.f. March 28, 2022, are as under:

<b>Period</b>	3 years w.e.f. March 28, 2022
<b>Nature</b>	Director, not liable to retire by rotation
<b>Designation</b>	Independent Director
<b>Remuneration</b>	Apart from Sitting Fees – NIL
<b>Performance related Incentive</b>	Apart from Sitting Fees – NIL
<b>Sitting Fees</b>	Presently Rs. 50,000 per board meeting

Mr. Tripathi is also a director on the Board of Indiabulls Real Estate Limited, Dhani Services Limited, JBM Auto Limited and Indiabulls General Insurance Limited. He is member of Risk Management Committee of the Company and of Indiabulls Real Estate Limited and of Audit Committee of JBM Auto Limited and of CSR Committee of Dhani Services Limited. He is Chairman of Audit Committee, Nomination & Remuneration Committee, Compensation Committee, Stakeholders Relationship Committee, Risk Management Committee of Dhani Services Limited.

He does not hold any equity shares in the Company and is neither related to any other director or key managerial personnel of the Company nor is debarred from holding the office of director by virtue of any order passed by SEBI or any other such authority. Number of board meetings attended by Mr. Tripathi during FY 2020-21, is provided in Corporate Governance Report, forming part of the Annual Report 2020-21.

The Company had received declaration from Mr. Tripathi that he meets the criteria of independence, as provided in Section 149(6) of the Companies Act, 2013 (the Act). He has also provided his consent to act as Independent Director of the Company and other declaration/disclosures as prescribed under the Companies Act. In the opinion of the Board, and based on the Board's evaluation, Mr. Tripathi fulfils the conditions specified in the Act and Rules made thereunder and SEBI LODR Regulations for his appointment as Independent Director of the Company, and further that he is independent of the management of the Company. The proposed re-appointment would also be in compliance with the applicable provisions of the Companies Act 2013 ("Act") and of the SEBI LODR Regulations relating to the appointment of Independent Directors.

The Board had approved re-appointment of Mr. Praveen Kumar Tripathi as Independent Director of the Company, not liable to retire by rotation, for a second term of three years w.e.f. March 28, 2022, and recommends the resolution as set out at Item No. 4 of this Notice, for the approval by the shareholders, as Special Resolution.

Except the proposed appointee, in resolution set out at Item No. 4 of this Notice, proposing his re-appointment, none of the Promoters, Directors and Key Managerial Personnel (KMPs) of the Company or any relatives of such Promoters, Directors or KMPs, are in any way concerned or interested, financially or otherwise, in the resolution.

**Item No. 5: Special Resolution, for issue of Non-Convertible Debentures and/or Bonds of the Company, on private placement basis:**

To fund its existing and new business ventures and proposed life and general insurance businesses, the Company may in future be required to borrow funds from different sources including by way of issuance of Non-Convertible Debentures ("NCDs") and Bonds (issuance of NCDs and/or Bonds shall not be in the nature of equity shares). NCDs represent a very cost-effective source of funding and a reliable means of diversification of funding sources. A diversified funding profile affords the Company multiple avenues of borrowing which from a cost and liquidity perspective are often complementary to one another enabling the Company to run a cost effective and efficient funding programme. NCDs and Bonds provide access to the widest set of investors and thus the deepest pools of funding. NCDs can be raised from domestic debt investors such as mutual funds, insurance companies, pension and provident funds, banks; Domestic retail NCDs can be raised from regular individuals and also High Net-worth Individuals (HNI's).

The shareholders of the Company at their last Annual General Meeting held on November 13, 2020 had authorized the Company to issue Non-Convertible Debentures (NCDs) and/or Bonds, however since, in accordance with the applicable laws, the said authorization was valid for one year from the date of approval i.e. up to November 12, 2021, approval of Members is being sought, as an enabling authorization, for issue of Non-Convertible Debentures (NCDs) and/or Bonds, in one or more tranches /series from time to time on private placement, as set out in the resolution, upto an amount not exceeding Rs. 500 Crore, outstanding at any point of time during the period of one year from the date of passing of the resolution, and such NCDs or Bonds taken together with other borrowings of the Company shall be within the overall borrowing limits, as per shareholders' existing authorization.

The Board accordingly recommends, passing of the Special Resolution, as set out at Item No. 5 of this Notice, for the approval of the Members of the Company, pursuant to and in terms of the provisions of Section 42 of the Companies Act, 2013 read with the Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

None of the Promoters, Directors and Key Managerial Persons (KMPs) of the Company or any relatives of such Promoters, Directors or KMPs, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of this Notice.

**Item No. 6: Special Resolution, for change in the name of the Company to 'Yaari Digital Integrated Services Limited' and consequential amendment to Memorandum of Association and Articles of Association of the Company:**

In order to charter right direction for its continuous focus around promoting digital platform businesses and to grow to next frontier, in March 2021, the Company launched 'Yaari' app which is a social commerce marketplace for a bouquet of curated consumer products. It enables small businesses and individuals ("resellers") to start their business online via social channels such as WhatsApp, Facebook, Instagram etc. It is an online reselling app which will empower individuals to start their own online business from home with zero investment. Yaari app will have a variety of products to choose from, that the resellers can resell among their social contacts. The app is designed to easily allow manufacturers and suppliers list their products online and make a viable alternate channel to market their products Pan India. The resellers then leveraging the power of existing social networks, will market these products to their contacts and thereby supplementing their income through the platform. The app also provides aspiring entrepreneurs, especially women, the ease to start an online business from home by taking away risk of inventory management, payments and even order fulfilment.

Yaari app coupled with digitally connected Bharat, will accelerate the growth of online commerce and create an ecosystem that enables income support for aspiring Indians. Yaari is further looking to aggregate marketplace model to other online commerce verticals.

In order to reflect the name of the Company in sync with its digital platform and logo "Yaari", subject to the confirmation of availability of the proposed name by the concerned Office of Registrar of Companies, Ministry of Corporate Affairs, Government of India and the applicable approvals, Board of Directors of the Company has considered it appropriate to change the name of the Company to 'Yaari Digital Integrated Services Limited' by just removing the one additional "i" from the existing prefix Yaarii. The proposed new name would better reflect the underlying business proposition of the Company, as the different spellings of "Yaari" in Company's name and its app and logo creates confusion amongst the Company's stakeholders, vendors and customers etc.

The text of the certificate obtained from M/s AGK & Company, Chartered Accountants, as required under sub-regulation 3 of regulation 45 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is reproduced below:

**QUOTE:**

**TO WHOMSOEVER IT MAY CONCERN**

***Sub: Proposed change in name of Yaarii Digital Integrated Services Limited (the Company) pursuant to Regulation 45 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations")***

Dear Sir,

*In connection with the proposed change in name of the Company from 'Yaarii Digital Integrated Services Limited' to 'Yaari Digital Integrated Services Limited', pursuant to Regulation 45 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI LODR Regulations"), we, M/s AGK & Company, Chartered Accountants, do hereby confirm and state that:*

***Compliance of conditions stated at Regulation 45(1) of the SEBI LODR Regulations:***

***a) a time period of at least one year has elapsed from the last name change:***

The last change of name of the Company was from 'Indiabulls Integrated Services Limited' to 'Yaarii Digital Integrated Services Limited', pursuant to the fresh certificate of incorporation dated November 25, 2020, issued by Registrar of Companies, NCT of Delhi & Haryana. Therefore, for ensuring the compliance of regulation 45(1)(a) of the SEBI LODR Regulations, as represented by the Company management, the change of name of the Company shall be made effective on or after November 26, 2021, however in the interest of time the shareholders' approval is being sought at their ensuing AGM.

***b) at least fifty percent of the total revenue in the preceding one year period has been accounted for by the new activities, suggested by the new name:***

In March 2021, the Company launched 'Yaari' app which is a social commerce marketplace for a bouquet of curated consumer products. In order to reflect the name of the Company in sync with its digital platform and logo "Yaari", subject to all applicable approvals, the Board of Directors of the Company has considered it appropriate to change the name of the Company to 'Yaari Digital Integrated Services Limited' by just removing the one additional "i" from the existing prefix Yaarii, subject to all applicable approval(s) and necessary compliances(s), as the different spellings of "Yaari" in Company's name and its app and logo creates confusion amongst the Company's stakeholders, vendors and customers etc.

Since there is no change in business activities of the Company and only the spelling of the prefix of name is being changed by just removing the one additional "i" from the existing prefix Yaarii to more appropriately reflect the correct spelling of its logo and digital platform "Yaari" in its name, the conditions stipulated in Regulation 45(1) (b) & (c) of the SEBI LODR Regulations are not applicable on the Company.

*Thanking you,  
For **AGK & Company**  
Chartered Accountants*

**Atul Kumar Khandelwal**  
*Partner  
M. No. : FCA 524030  
Firm Registration No.: 016332C  
UDIN: 21524030AAAAV3708*

*Date: September 4, 2021  
Place: New Delhi*

**UNQUOTE:**

The Company shall ensure the compliance of said Regulation 45 before effecting /implementing the proposed change of name. However, in compliance with the applicable legal requirements, the requisite prior enabling approval from the shareholders of the Company, by way of a Special Resolution, is being sought for effecting change in the Company's name and consequential alteration in its Memorandum and the Articles of Association. Accordingly, the Board recommends the resolution as set out at Item No. 6 of this Notice, for the approval by the shareholders, as a Special Resolution.

None of the Promoters, Directors and Key Managerial Persons (KMPs) of the Company or any relatives of such Promoters, Directors or KMPs, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of this Notice.

By Order of the Board of Directors  
For **Yaarii Digital Integrated Services Limited**

Sd/-  
**Priya Jain**  
Company Secretary  
(Membership No. A19925)

Place: Gurugram  
Date: September 6, 2021

## **E-COMMUNICATION REGISTRATION FORM**

To,  
KFintech Technologies Private Limited  
Unit: Yaarii Digital Integrated Services Limited  
Selenium Tower B, Plot No. 31-32,  
Gachibowli, Financial District,  
Nanakramguda, Hyderabad – 500 032  
Toll free No. 1800 309 4001  
E-mail: einward.ris@kfintech.com

Dear Sir / Madam,

I hereby register / update my email address provided below for receiving all communication from the Company through electronic mode:

Folio No. / DP ID & Client ID	
Name of the First Registered Holder	
Registered Address	
Email ID (to be Registered)	
Signature of the First Registered Holder	
Date:	

Notes:

1. On registration/ updation, all the communications will be sent to the registered e-mail Id. The form is also available on the website of the Company at [www.yaari.com](http://www.yaari.com) under the heading "Investors > AGM 2020-21" by the name "E-Communication Registration Form".
2. Members holding shares in electronic mode are requested to ensure to keep their e-mail Id updated with the Depository Participants with whom they are holding their Demat Account.
3. Members are requested to keep their depository participants/Company's Registrar- KFintech Technologies Private Limited informed as and when there is any change in the e-mail Id. Unless, the email Id given here-in-above is changed by you by sending another communication in writing, the Company will continue to send all the communication to you on the above mentioned email Id.

# ANNUAL REPORT

## 2020–2021

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**yaari**



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## Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make, contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. The information/ disclosures made in this Annual Report are as on date of respective report and document and we undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

# Company Information

**Yaarii Digital Integrated Services Limited**  
(formerly Indiabulls Integrated Services Limited)

## Board of Directors

Mr. Kubeir Khera, CEO & Executive Director  
Mr. Manvinder Singh Walia, Executive Director  
Mr. Ajit Kumar Mittal, Non-Executive Director  
Mr. Gurrappa Gopalakrishna, Independent Director  
Mr. Praveen Kumar Tripathi, Independent Director  
Justice (Retd.) Gyan Sudha Misra, Independent Director  
Mr. Shamsher Singh Ahlawat, Independent Director

## Company Secretary

Ms. Priya Jain

## Chief Financial Officer

Mr. Saurabh Garg

## Statutory Auditors

M/s Agarwal Prakash & Co.  
Chartered Accountants  
508, Indra Prakash, 21, Barakhamba Road,  
New Delhi - 110 001

## Internal Auditors

M/s MRKS and Associates  
Chartered Accountants  
QU-35B, Pitampura,  
New Delhi-110 088

## Secretarial Auditors

M/s Neha S & Associates  
Company Secretaries  
B 1/147, Flat No. 14, Sewak Nagar,  
Uttam Nagar, New Delhi – 110 059

## Registrar and Transfer Agent

M/s KFin Technologies Private Limited  
(Unit: Yaarii Digital Integrated Services Limited)  
Selenium Tower B, Plot No.31 & 32, Gachibowli,  
Financial District, Nanakramguda, Serilingampally Mandal,  
Hyderabad - 500 032

## Registered Office

Indiabulls House,  
448-451, Udyog Vihar, Phase V,  
Gurugram – 122016, Haryana  
CIN: L51101HR2007PLC077999  
Website: [www.yaari.com](http://www.yaari.com)  
E-mail: [helpdesk@indiabulls.com](mailto:helpdesk@indiabulls.com)  
Tel: 0124-6681199, Fax: 0124-6681240

## Corporate Office

One International Center, Tower 1,  
Senapati Bapat Marg,  
Elphinstone Road, Mumbai - 400013

## Bankers

HDFC Bank Limited  
State Bank of India  
IDBI Bank Limited  
Yes Bank Limited  
Axis Bank Limited  
Ratnakar Bank Limited

Dear Shareholders,

Your Directors have pleasure in presenting the Fourteenth Annual Report together with audited financial statement of Yaari Digital Integrated Services Limited (formerly Indiabulls Integrated Services Limited) ("the Company") for the financial year ended March 31, 2021.

FY 2020-21 was an unprecedented year in many respects. The COVID-19 pandemic caused wide-spread economic disruption and brought the world to a stand-still, restriction on movement of people and goods led to widespread loss of incomes and livelihoods. Successive waves of the epidemic strained health infrastructure the world over and has to date resulted in 4 Mn deaths – with daily deaths still hovering around 10,000 per day.

With active support from central banks and governments, damage to the world economy has been contained. With vaccination gathering pace in India and the world over, it is hoped that the world can begin healing and people can get back to a level of normalcy.

For the Company, FY 2020-21 was a year of repair and transition. Despite an extremely challenging year due to the disruptions caused by the COVID-19 pandemic, the Company has been successful in venturing into the new business stream of social commerce, thereby conserving capital and using it more productively in new age business ventures.

## FINANCIAL HIGHLIGHTS

The highlights of the standalone financial results of the Company for the financial year ended March 31, 2021 are as under:

Particulars	(Amount in Rs. crores)	
	For the financial year ended March 31, 2021	For the financial Year ended March 31, 2020
Profit / (Loss) before depreciation and tax	(87.28)	(17.96)
Less: Depreciation and amortization expense	1	1.06
Profit / (Loss) before tax	(88.28)	(19.03)
Less: Provision for Tax	0	3.42
Profit / (Loss) after tax	(88.28)	(22.44)
Profit / (Loss) brought forward	54.69	77.13
Amount available for appropriation	(33.59)	54.69
Less: Appropriations:		
Proposed dividend on preference shares	0	0
Corporate dividend tax thereon	0	0
Interim dividend on equity shares	0	0
Corporate dividend tax thereon	0	0
Transfer to general reserve	0	0
Less: Ind-AS adjustments	5.02	0
Balance carried forward to Balance Sheet	(38.61)	54.69

The Board has not proposed to transfer any amount to any reserve(s).

## BUSINESS OVERVIEW

As stated in the last couple of years, the Company, through two of its wholly owned subsidiaries, viz., Indiabulls Life Insurance Company Limited (IBLIC) and Indiabulls General Insurance Limited (IBGIL) intended to venture into Life and Non-Life insurance businesses, and had applied to the insurance regulator, Insurance Regulatory and Development Authority of India (IRDAI), for the necessary licenses for the same. Both IBLIC and IBGIL, got the preliminary approval (R1) for their proposed Life and Non-Life Insurance business, respectively, and then after satisfying all necessary pre-conditions and putting in place the necessary manpower and technology systems, had applied for necessary registration (R2) with IRDAI to commence their life insurance and general insurance business in India. However due to Covid-19 and other conditions, IBLIC and IBGIL faced inordinate delay in getting the next stage of approval (R2). All the necessary paperwork had been filed with the IRDAI and the necessary presentations made before the authorities, but still the final approval has not been forthcoming.

Meanwhile, due to change in business environment and economic scenario, which got impacted by the ongoing pandemic, the Company decided to upscale its digital platform business, being new age business ventures, where the Company management has a competitive edge, given Company's cutting edge technology platform and digital reach and in order to charter right direction for its continuous focus around promoting digital platform businesses and to grow to next frontier, the Company launched a social commerce marketplace 'Yaari', which enable small businesses and individual resellers to start their business online via social channels such as WhatsApp, Facebook, Instagram etc.

# Board's Report (Contd.)

Yaari app is a social commerce marketplace for a bouquet of curated consumer products including, but not limited to, Fashion, Beauty and Personal care and electronics. Yaarii is a mobile first business available for access anywhere anytime through its Android & iOS Application. Ever since its inception, Yaarii has managed to help customers with their personal requirements of various financial products and is now venturing into business to fulfil customers' personal requirements in terms of consumer goods.

The Yaari app is designed to easily allow manufacturers and suppliers, list their products online and make a viable alternate channel to market their products Pan India. The resellers then leveraging the power of existing social networks, will market these products to their contacts and thereby supplementing their income through the platform. The app also provides aspiring entrepreneurs, especially women, the ease to start an online business from home by taking away risk of inventory management, payments and even order fulfilment.

Yaari app coupled with digitally connected Bharat, will accelerate the growth of online commerce and create an ecosystem that enables income support for aspiring Indians. Yaari is further looking to aggregate marketplace model to other online commerce verticals.

## BUSINESS RESTRUCTURING

To streamline the operations and ownership structure of the Company, in a manner leading to maximization of stakeholders' value and diversification of shareholders' portfolio by providing them direct ownership in each business segments, and to have a focused approach towards upcoming insurance business and digital platform business, the Board of Directors of the Company had approved the composite Scheme of Amalgamation and Arrangement amongst the Company, its direct and indirect subsidiaries (viz. SORIL Infra Resources Limited, Albasta Wholesale Services Limited, Sentia Properties Limited, Lucina Infrastructure Limited, Ashva Stud and Agricultural Farms Limited, Mahabala Infracon Private Limited, Store One Infra Resources Limited, Indiabulls Enterprises Limited and Indiabulls Pharmicare Limited) and Indiabulls Pharmaceuticals Limited and their respective shareholders and creditors ("Scheme").

Pursuant to the Scheme, the shareholders of the Company will get shares of Indiabulls Enterprises Limited, free of any cost, in lieu of their shareholding in the Company. The shares of Indiabulls Enterprises Limited will get listed on NSE and BSE and with this, post effectiveness of the Scheme, they will have shares of two listed entities –

- (1) the Company, the equity shares of which are listed and will remain listed on NSE and BSE, focusing on the business of digital platform, upcoming life and general insurance and related businesses, and
- (2) Indiabulls Enterprises Limited, equity shares of which will be listed on NSE and BSE, focusing on non-insurance businesses of the Company and its subsidiaries (including proposed pharma business and rural finance business).

Subsequent to receipt of NOCs (observation letters) from the National Stock Exchange of India Limited and BSE Limited, the Company had filed the Scheme and Company Application, under Sections 230 to 232 of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, before jurisdictional bench of NCLT ("NCLT") and NCLT, vide its order dated July 7, 2021, inter alia directed the meeting of the Company's equity shareholders to be convened on August 21, 2021, through Video Conference ("VC")/Other Audio-Visual Means ("OAVM") for the purpose of considering, and if thought fit, approving the Scheme by the shareholders. Your directors are pleased to inform that the shareholders of the Company, at aforementioned meeting, have approved the Scheme with requisite majority and thereafter, the Company has filed second motion application with NCLT.

## CHANGE IN NAME OF THE COMPANY

During the last fiscal year 2020-21, pursuant to issuance of fresh Certificate of Incorporation dated November 25, 2020, by the Registrar of Companies, NCT of Delhi & Haryana, the name of the Company was changed from 'Indiabulls Integrated Services Limited' to 'Yaarii Digital Integrated Services Limited', in order to charter right direction for its continuous focus around promoting digital platform businesses and to grow to next frontier.

However subsequently, in March 2021, the Company launched 'Yaari' app which is a social commerce marketplace for a bouquet of curated consumer products, and in order to reflect the name of the Company in sync with its digital platform and logo "Yaari", subject to all applicable approvals; the Board of Directors of the Company, has considered it appropriate to change the name of the Company to '**Yaari Digital Integrated Services Limited**' by just removing the one additional "i" from the existing prefix Yaarii. The proposed new name would better reflect the underlying business proposition of the Company.

## DIVIDEND / TRANSFER TO IEPF

In view of future business requirements of the Company, your directors do not recommend any dividend.

During the year under review, the unclaimed dividend pertaining to financial year 2012-13 of Rs. 2,50,376/- got transferred to Investor Education and Protection Fund, after giving due notice to the members. Further, the Company has transferred 42,766 equity shares pertaining to the Financial Year 2012-13 in respect of which dividend has not been received or claimed for seven consecutive years to Demat Account of IEPF Authority, in respect of which, individual notice had also been sent to concerned shareholders. Those members who have not so far claimed their dividend for any financial year(s) are advised to claim it from the Company or KFin Technologies Private Limited (Formerly 'Karvy Fintech Private Limited').

Further, in compliance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "SEBI LODR"), the Dividend Distribution Policy of the Company is available on the website of the Company, at web-link: [https://www.yaari.com/investor/pdf/Dividend\\_Distribution\\_Policy.pdf](https://www.yaari.com/investor/pdf/Dividend_Distribution_Policy.pdf)

## DIRECTORS & KEY MANAGERIAL PERSONNEL

During the FY 2020-21, Mr. Kubeir Khera (DIN: 03498226), has been appointed as an Executive Director and KMP, designated as CEO of the Company, for a period of 5 years, with effect from January 1, 2021. Mr. Kubeir Khera, aged 39 years, is a distinguished & committed professional with rich & varied experience of over 14 years in brand-building, marketing & sales across advertising, financial services and real estate sectors. Mr. Khera is associated with the 'Yaari' platform since its inception, including conceptualizing, launch, transition and expansion along with implementing innovative plans for accomplishment of targets and through his keen insights and extensive cross-functional experience, he has developed a deep understanding of digital businesses. He has been associated with Indiabulls Group for over last 13 years at middle and senior management positions. With cross-functional experience in strategizing and executing on corporate vision, Mr. Khera has successfully demonstrated track record in overcoming complex business challenges and delivering on high-impact decisions. He played an instrumental role in maximizing revenue growth despite intensely competitive environment and massive headwinds for the last few years. Prior to joining Indiabulls, he was responsible for business development and communication for a leading MNC in India.

Being Additional Director, Mr. Kubeir Khera, holds office as such upto the date of ensuing Annual General Meeting. Keeping in view his vast experience and managerial skills and his dedicated involvement and association with the 'Yaari' platform from its inception, including conceptualizing, launch, transition and expansion along with implementing innovative plans, the Board, basis the recommendation of the Nomination and Remuneration Committee, recommends his appointment as director, liable to retire by rotation and as an Executive Director and Key Managerial Personnel of the Company, designated as Chief Executive Officer, for a period of 5 years, with effect from January 1, 2021.

The present term of Mr. Praveen Kumar Tripathi (DIN: 02167497), a retired IAS and Ex-Chief Secretary, Govt. of NCT Delhi, as Independent Director of the Company, shall come to an end on March 27, 2022. To ensure continuity of guidance from Mr. Praveen Kumar Tripathi, the Board has recommended his re-appointment as Independent Director of the Company for a term of 3 years from March 28, 2022 till March 27, 2025. Keeping in view, the vast experience and knowledge of Mr. Tripathi, the Board is of the view that his re-appointment as Independent Director, on the Board, will be in the interest of the Company. Upon getting approval of the shareholders for his re-appointment as Independent Director, his re-appointment shall be formalized by issuing a letter of appointment to him, which shall be open for inspection by the members at the Registered office of the Company, in terms of applicable provisions of the Companies Act, 2013.

In accordance with Section 152 of the Companies Act, 2013 and rules framed thereunder, and in terms of the Articles of Association of the Company, Mr. Ajit Kumar Mittal (DIN: 02698115), Non-Executive Director, is liable to retire by rotation, and being eligible, has offered himself for re-appointment at the ensuing Annual General Meeting. The Board of Directors recommended his re-appointment.

The matter relating to appointment / re-appointment of aforementioned directors has been included in the Notice convening the 14th Annual General Meeting of the Company. The brief resume of the Directors proposed to be appointed / re-appointed, nature of their expertise in specific functional areas and name of the Companies in which they hold directorships and memberships/chairmanships of Board Committees and other requisite information, is provided in the Notice convening the 14th Annual General Meeting of the Company.

All the present Independent Directors of the Company are persons of integrity and possess requisite knowledge, expertise, experience and skills, for discharging their duties effectively as Independent Directors, and have given confirmation that they meet the criteria of independence laid down under Section 149(6) of the Companies Act, 2013, and under Regulation 16(a)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

## SHARE CAPITAL/ STOCK OPTIONS/ SAR SCHEMES

The paid up equity share capital of the Company as on March 31, 2021, was Rs. 17,86,51,138/- comprising of 8,93,25,569 equity shares of face value of Rs. 2/- each. An aggregate of 55,66,600 stock options, granted under Company's ESOP Schemes were in force as on March 31, 2021 which shall be exercisable as per the vesting schedule of respective ESOP Schemes, viz., 'Yaari Digital Integrated Services Limited Employee Stock Option Scheme - 2011' and 'Yaari Digital Integrated Services Limited - Employee Stock Benefit Scheme 2018' (hereinafter individually and/or collectively referred to as the Scheme(s)).

Further, in compliance with erstwhile SEBI (Share Based Employee Benefits) Regulations, 2014 (SBEB Regulations), the Company had set up a registered employees' welfare trust titled "Surya Employee Welfare Trust" (the "Trust") to efficiently manage the Scheme(s) and to acquire, purchase, hold and deal in fully paid-up equity shares of the Company from the secondary market, for the purpose of administration and implementation of the Scheme(s).

During the FY 2020-21, 17,54,327 shares held by the Trust have been appropriated for the implementation and management of Company's employees benefit scheme viz. the "Yaari Digital Integrated Services Limited - Employee Stock Benefit Scheme 2018", towards grant of Share Appreciations Rights (SARs) to the employees of the Company and its subsidiaries as permitted pursuant to and in compliance with applicable SBEB Regulations.

# Board's Report (Contd.)

The disclosures required to be made under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, have been placed on the website of the Company [www.yaari.com](http://www.yaari.com).

## PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits from the public, falling within the ambit of Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, therefore, the disclosures required in terms of Rule 8 of the Companies (Accounts) Rules, 2014, are not required to be given.

## LISTING WITH STOCK EXCHANGES

The Equity Shares (ISIN: INE126M01010) of the Company, continue to remain listed at BSE Limited and National Stock Exchange of India Limited. The listing fees payable to both the exchanges for the financial year 2021-22 have been paid.

## AUDITORS

### (a) Statutory Auditors

M/s Agarwal Prakash & Co. (Firm Registration No. 005975N), the Statutory Auditors of the Company were re-appointed by the members at their Twelfth Annual General Meeting, held on September 30, 2019, for a period of five years i.e. until the conclusion of the Seventeenth Annual General Meeting of the Company.

The Auditors' Report forming part of this Annual Report is self-explanatory and therefore do not call for any further explanation. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer. No frauds have been reported by the Auditors of the Company in terms of the provisions of Section 143(12) of the Companies Act, 2013 and Rules framed thereunder.

### (b) Secretarial Auditor & Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the rules made thereunder, the Company had appointed M/s Neha S & Associates, a firm of Company Secretaries in practice as its Secretarial Auditors, to conduct the secretarial audit of the Company for the Financial Year 2020-21. The Company has provided all assistance, facilities, documents, records and clarifications etc to the Secretarial Auditors for conducting their audit. The Secretarial Audit Report, along with Secretarial Compliance Report, as prescribed by SEBI, for the Financial Year 2020-21, are annexed as Annexure 1(i) and Annexure 1(ii) respectively, and forms part of this Report. The Reports are self – explanatory and therefore do not call for any further explanation.

Further, the Secretarial Audit Report(s) of the unlisted material subsidiaries, viz. Indiabulls Life Insurance Company Limited (IBLIC) and Indiabulls General Insurance Limited (IBGIL), are annexed as Annexure 2(i) and 2(ii) respectively. The Secretarial Audit Reports of the Company and said subsidiaries does not contain any qualification, reservation or adverse remark or disclaimer.

## CORPORATE SOCIAL RESPONSIBILITY

As part of its initiatives under "Corporate Social Responsibility (CSR)", the Company has undertaken projects as per its CSR Policy (available on Company's website at web-link: <https://www.yaari.com/investor/pdf/CSR%20Policy.pdf> and the details are contained in the Annual Report on CSR Activities given in Annexure 3, forming part of this Report. These projects are in accordance with Schedule VII of the Companies Act, 2013, read with the relevant rules.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of the SEBI LODR, Management Discussion and Analysis Report, for the year under review, is presented in a separate section forming part of this Annual Report.

## CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34 of SEBI LODR, a separate section on Corporate Governance Practices followed by the Company, together with a certificate from a Practicing Company Secretary confirming compliance, is presented in a separate section forming part of this Annual Report.

## BUSINESS RESPONSIBILITY REPORT

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

## DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) that in the preparation of the annual financial statements for the year ended March 31, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (b) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company, as at March 31, 2021 and the profit and loss of the Company for the year ended on that date;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual financial statements have been prepared on a going concern basis;
- (e) that proper internal financial controls are in place and that such financial controls are adequate and are operating effectively; and
- (f) that systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

## ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) of the Companies Act, 2013 ("Act"), the Annual Return as on March 31, 2021 is available on website of the Company, at web-link: [https://www.yaari.com/investor/pdf/Form\\_MGT\\_7\\_Yaarii\\_Integrated\\_31\\_03\\_2021.pdf](https://www.yaari.com/investor/pdf/Form_MGT_7_Yaarii_Integrated_31_03_2021.pdf).

## BOARD MEETINGS

During the FY 2020-21, 8 (Eight) Board Meetings were convened and held. The details of such meetings are given in Corporate Governance Report forming part of this Annual Report. The intervening gap between these meetings was within the period prescribed under the Companies Act, 2013 and/or relaxations given by MCA and SEBI, due to COVID-19 pandemic. The notice and agenda including all material information and minimum information required to be made available to the Board under Regulation 17 read with Schedule II Part A of the SEBI LODR were circulated to all directors, well within the prescribed time, before the meeting or placed at the meeting with the consent of majority of Directors (including one Independent Director). During the year, separate meeting of the Independent Directors was held on January 15, 2021, without the presence of Non-Independent Directors and the members of the Company Management.

## PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEE AND DIRECTORS

The Nomination & Remuneration Committee (NRC) of the Board reassessed the framework, methodology and criteria for evaluating the performance of the Board as a whole, including Board committee(s), as well as performance of each director(s) and confirms that the existing evaluation parameters are in compliance with the requirements as per SEBI guidance note dated January 5, 2017 on Board evaluation. The existing parameters includes effectiveness of the Board and its committees, decision making process, Directors'/ members' participation, governance, independence, quality and content of agenda papers, team work, frequency of meetings, discussions at meetings, corporate culture, contribution and management of conflict of interest. Basis these parameters and guidance note on board evaluation issued by SEBI, the NRC had reviewed at length the performance of each director individually and expressed satisfaction on the process of evaluation and the performance of each Director. The performance evaluation of the Board as a whole and its committees, namely, Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, as well as the performance of each director individually was carried out by the entire Board of Directors. The performance evaluation of the Non-Independent Directors and the Board of Directors, as a whole was carried out by the Independent Directors in their meeting held on January 15, 2021. The Directors expressed their satisfaction with the evaluation process.

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

## POLICY ON APPOINTMENT OF DIRECTORS & THEIR REMUNERATION

A Board approved policy for selection and appointment of Directors, Senior Management and their remuneration, is already in place. The Remuneration Policy is briefly stated in the Corporate Governance Report forming part of this Annual Report and is also available at the website of the Company, at web-link: [https://www.yaari.com/investor/pdf/Remuneration%20Policy\\_IBULISL.pdf](https://www.yaari.com/investor/pdf/Remuneration%20Policy_IBULISL.pdf)

## LOANS, GUARANTEES OR INVESTMENTS

During the FY 2020-21, in terms of the provisions of Section 186(1) of the Companies Act, 2013, the Company did not make any investments through more than two layers of investment companies. The Company's investment/loans/guarantees during FY 2020-21 were in compliance with the provisions of Section 186 of the Companies Act, 2013, particulars of which are captured in financial statements of the Company, forming part of this Annual Report.



# Board's Report (Contd.)

## RELATED PARTY TRANSACTIONS

During the year, no materially significant related party transaction was entered by the Company with its Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large. Details of all related party transactions are disclosed in the financial statement of the Company forming part of this Annual Report. None of the transactions with related parties is material transaction and/or transaction which is not at Arm's length, requiring disclosure pursuant to Section 134(3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014. Therefore the information required in prescribed form AOC - 2 is not applicable. The Policy on materiality of Related Party Transactions and also on dealing with such transactions is available on the website of the Company, at web-link: <https://www.yaari.com/investor/pdf/Policy%20for%20Dealing%20with%20Related%20Party%20Transactions.pdf>

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an elaborate system of internal controls commensurate with the size, scale and complexity of its operations; it also covers areas like financial reporting, fraud control, compliance with applicable laws and regulations etc. Regular internal audits are conducted to check and to ensure that responsibilities are discharged effectively. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with regulatory directives, efficacy of its operating systems, adherence to the accounting procedures and policies of the Company and its subsidiaries. Wherever required, the internal audit efforts are supplemented by audits conducted by specialized consultants/audit firms. Based on the report of the Internal Auditors, process owners undertake corrective actions, in their respective areas and thereby strengthen the controls.

## MATERIAL CHANGES AND COMMITMENTS

Except as disclosed in this report, there are no material changes and commitments, affecting the financial position of the Company, which has occurred between the end of the Financial Year of the Company i.e. March 31, 2021 and the date of this Report.

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

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

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

### A. Conservation of Energy

The Company operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve energy.

As an ongoing process, the followings are (i) the steps taken or impact on conservation of energy; (ii) the steps taken by the company for utilising alternate sources of energy; and (iii) the capital investment on energy conservation equipment:

The Company has been able to reduce energy consumption by using star rated appliances where possible and also through the replacement of CFL lights with LED lights. The Company continues to explore collaboration with contractors/partners that ensure conservation of energy and resources. Some of the steps undertaken for the conservation of energy are (a) using energy saving LED light fixtures, (b) conservation of energy at all of its offices by replacing lighting system with LEDs, installation of star energy conservation air conditioning systems, installation of automatic power controllers to save maximum demand charges and energy, installation of TFT monitors that saves power, and periodic Training sessions for employees on ways to conserve energy in their individual roles. The Company continuously aims to reduce the impact on environment by optimizing the usage of various resources. The Company will explore solar energy, as alternate source of energy, to meet the energy demands, wherever possible.

### B. Technology Absorption

The Company has implemented / shall implement best of the class applications to manage and automate its business processes to achieve higher efficiency, data integrity and data security. It has helped it in implementing best business practices and shorter time to market new schemes, products and customer services. The Company's investment in technology has improved customer services, reduced operational costs and development of new business opportunities.

#### I. The efforts made towards technology absorption:

The Company is investing in cutting edge technologies to upgrade its infrastructure set up and innovative technical solutions, thereby increasing customer delight & employee efficiency. Next Generation Business Intelligence & analytics tool have been implemented to ensure that while data continues to grow, decision makers gets answers faster than ever for timely & critical level decision making. The Company has taken major initiatives for improved employee experience, by implementing innovative solutions and empowering them by providing mobile platform to manage their work while on the go. Deployment of machines to substitute manual work partly or fully, using LED lighting in our office buildings, using timers for external lighting and basement lighting for switching lights on/off as per peak and non-peak hours are some steps towards optimizing the usage of various



resources by adopting technology. The Company promotes the use of electronic means of communication with its shareholders by sending electronic communication for confirmation of payments and other similar purposes. The Company also encourages the use of electronic mode of communications to and from all its stakeholders. Soft copies of the annual report(s) along with the notice convening the Annual General Meeting(s) were sent to its shareholders so as to minimize the usage of paper.

## II. The benefits derived like product improvement, cost reduction, product development or import substitution:

The Company's investment in technology has improved customer services, reduced operational cost and development of new business opportunities. Also, there is cost reduction in the administration and business operations expense through utilisation of scheduling and planning, efficient practices, etc. Some of the initiatives are: In-depth planning, organising/scheduling/ structuring the work in tandem with job descriptions to ensure efficiency, engaging specialised contractors/ consultants to complete tasks efficiently, introducing rules and regulations based on national and international standards and internal classifications, monitoring performance at projects and administrative offices.

## III. Information regarding imported technology (imported during last 3 years) and Expenditure incurred on Research & Development:

Not Applicable, since the Company has not imported any technology or incurred expenses of Research & Development, during such period.

## C. Foreign Exchange Earnings and Outgo

There was no earning and outgo in foreign exchange during the year under review and the previous year.

## BUSINESS RISK MANAGEMENT

Pursuant to the applicable provisions of the Companies Act, 2013 and Regulation 21 of the SEBI LODR, the Company has in place a Board constituted Risk Management Committee. Details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of this report.

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

## PARTICULARS OF EMPLOYEES

Pursuant to the applicable provisions of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures on Managerial Remuneration are provided in Annexure 4, forming part of this Report. In terms of the provisions of Section 136(1) of the Companies Act, 2013, read with the said rules, the Board's Report is being sent to all the shareholders of the Company excluding the annexure on the names and other particulars of employees, required in accordance with Rule 5(2) of said rules, which is available for inspection by the members, subject to their specific written request, in advance, to the Company Secretary. The inspection is to be carried out at the Company's Registered Office during business hours on working days of the Company up to date of ensuing Annual General Meeting.

## FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

Independent Directors are familiarized with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through presentations about the Company's strategy, business model, product and service offerings, customers' & shareholders' profile, financial details, human resources, technology, facilities, internal controls and risk management, their roles, rights and responsibilities in the Company. The Board is also periodically briefed on the various changes, if any, in the regulations governing the conduct of Independent Directors. The details of the familiarization programs have been hosted on the website of the Company, at web-link:

<https://www.yaari.com/investor/pdf/Details%20of%20familiarization%20programmes%20imparted%20to%20independent%20directors.pdf>

## SUBSIDIARY COMPANIES

Pursuant to Section 129 of the Companies Act, 2013, the Company has prepared its Consolidated Financial Statements along with all its subsidiaries, in the same form and manner, as that of the Company, which shall be laid before its ensuing Fourteenth Annual General Meeting along with its Standalone Financial Statements. The Consolidated Financial Statements of the Company along with its subsidiaries, for the year ended March 31, 2021, form part of this Annual Report.

# Board's Report (Contd.)

For the performance and financial position of each of the subsidiaries of the Company, along with other related information required pursuant to Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014, the Members are requested to refer to the Financial Statements and form AOC-1 of the Company. Further pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are also available on the website of the Company. Shareholders may write to the Company for the annual financial statements and detailed information on subsidiary companies. Further, the documents shall also be available for inspection by the shareholders at the registered office of the Company.

## **NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES OR ASSOCIATE COMPANIES**

During the FY 2020-21, none of the companies became or ceased to be the subsidiaries or associate of the Company. During the current year, on May 27, 2021, YDI Consumer India Limited was incorporated as wholly owned subsidiary of the Company. As on March 31, 2021, the Company had 13 subsidiaries. Indiabulls General Insurance Limited and Indiabulls Life Insurance Company Limited were material subsidiaries of the Company during the FY 2020-21.

## **COMMITTEES OF THE BOARD**

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

- (a) Audit Committee
- (b) Nomination and Remuneration Committee
- (c) Stakeholders Relationship Committee
- (d) Corporate Social Responsibility Committee
- (e) Risk Management Committee

The details with respect to composition, power, role, terms of reference, etc. of each of these committees are given in the Corporate Governance Report forming part of this Annual Report.

Apart from the above, the Board has also constituted Compensation Committee for administration of stock option scheme(s), Management Committee for operational matters, Issuance Committee for considering issuance of securities and Reorganization Committee for on-going Scheme and reorganization plans.

## **SECRETARIAL STANDARDS**

The Board of Directors state that the Company has complied with the applicable Secretarial Standards (SS-1 and SS-2) respectively relating to Meetings of the Board, its Committees and the General Meetings as issued by the Institute of Company Secretaries of India.

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

The Company has zero tolerance towards harassment at the workplace and has complied with the provisions and constituted an Internal Complaints Committee and also adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the financial year 2020-21, no case of sexual harassment was reported.

## **APPLICABILITY OF MAINTENANCE OF COST RECORDS**

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

## **VIGIL MECHANISM**

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

as an enabling factor in administering good governance practices. The details of the Whistle Blower Policy are available on the website of the Company: [www.yaari.com](http://www.yaari.com). The Audit committee set by the Board, constitutes a vital component of the whistle blower mechanism and instances of financial misconduct, if any, are reported to the Audit committee. No employee is denied access to the Audit Committee.

## GREEN INITIATIVES

Pursuant to the guidelines and notification issued by the Ministry of Home Affairs, Government of India and pursuant to applicable provisions of the Companies Act and rules made thereunder and SEBI LODR and the MCA/ SEBI Circulars, the AGM of the Company is being held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Electronic copies of the Annual Report for Financial year 2020-21 and Notice of the Fourteenth AGM are sent to all the members whose email addresses are registered with the Company / Depository Participant(s). The Members who have not received the said Annual Report and Notice may download the same from the Company's website at [www.yaari.com](http://www.yaari.com) and on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

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

## ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors

Date: September 6, 2021  
Place: Gurugram

**Kubeir Khera**  
Executive Director & CEO  
DIN: 03498226

**Ajit Kumar Mittal**  
Director  
DIN:02698115

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

**For the Financial Year ended on March 31, 2021**

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
**Yaarii Digital Integrated Services Limited**  
**(Formerly Indiabulls Integrated Services Limited)**  
Plot No. 448-451, Udyog Vihar,  
Phase-V, Gurugram-122016, Haryana

We have conducted, the Secretarial Audit of compliance of applicable statutory provisions and adherence to good corporate practices, by Yaarii Digital Integrated Services Limited (**hereinafter referred as 'the Company'**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and accordingly expressing my opinion thereupon.

Based on our verification of books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company, has during the audit period covering the financial year ended on 31.03.2021 complied with various statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the Year ended 31.03.2021 according to the provisions of the following, as amended from time to time, and to the extent applicable :-

- i. The Companies Act, 2013 (the Act) and Rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye – Laws framed thereunder;
- iv. The provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi. Other Laws Applicable to the Company as a Business Unit and Other Offices:
  - a) **Taxation Laws**
  - b) **Labour and Social Security Laws** – Such as employees State Insurance Act, 1948; Payment of Bonus Act, 1965; Payment of Gratuity Act, 1972; Contract Labor (Regulation and Abolition) Act, 1970; Maternity Benefit Act, 1961; The Equal Remuneration Act 1976; Employees Provident Funds And Miscellaneous Act, 1952, as amended.
  - c) **IT Related Laws** – Information Technology Act, 2000;
  - d) **Miscellaneous Laws** – Electricity Act, 2003; Sexual Harassment of Women at Workplace (Prevention, Prohibition and Regulation) Act, 2013

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has been regular in complying with various applicable provisions of the Act, rules, regulations, Guidelines and Standards etc. which are subject matter of present Audit Report, stated hereinabove.

**It is further reported that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Director(s), Non – Executive Director(s), Woman Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

In compliance with applicable provisions of the Companies Act, 2013 and rules made thereunder and Secretarial Standards issued by the Institute of Company Secretaries of India, adequate notices were given to all directors to schedule the Board Meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions are carried through unanimously and therefore dissenting members' views are not required to be captured and recorded as part of the minutes.

**We further report** that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report** that during the audit period there were no specific events/actions having a major bearing on Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards.

**For Neha S & Associates**  
Company Secretaries

**Neha Sharma**  
Proprietor

Membership No: 44741

CP No.:16522

UDIN: A044741C000508701

Date: 24.06.2021

Place: New Delhi

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

## 'Annexure A'

To,  
The Members,  
**Yaarii Digital Integrated Services Limited**  
**(Formerly Indiabulls Integrated Services Limited)**  
Plot No. 448-451 Udyog Vihar,  
Phase-V Gurgaon, Haryana 122016

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. The maximum liability of our firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

**For Neha S & Associates**  
Company Secretaries

**Neha Sharma**  
Proprietor

Membership No: 44741

CP No.:16522

UDIN: A044741C000508701

Date: 24.06.2021

Place: New Delhi

# Board's Report (Contd.)

Annexure 1(ii)

## Secretarial Compliance Report of Yaarii Digital Integrated Services Limited

for the year ended 31st March, 2021

We, M/s Neha S & Associates, Company Secretaries, have examined:

- (a) all the documents and records made available to us and explanation provided by SORIL Infra Resources Limited ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31st March, 2021 ("Review Period") in respect of compliance with the provisions of :
  - (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
  - (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and circulars/ guidelines issued thereunder; and based on the above examination, we hereby report that, during the Review Period:
  - (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
Not Applicable			

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Actions Taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
Not Applicable				

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended...	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not Applicable				

For Neha S & Associates  
Company Secretaries

Neha Sharma  
Proprietor

Membership No: 44741

CP No.:16522

UDIN: A044741C000508622

Place: New Delhi

Date: June 24, 2021

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**For the Financial Year ended on March 31, 2021**

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
**Indiabulls Life Insurance Company Limited**  
M-62 & 63, First Floor,  
Connaught Place, New Delhi – 110 001

We have conducted, the Secretarial Audit of compliance of applicable statutory provisions and adherence to good corporate practices, by Indiabulls Life Insurance Company Limited (**hereinafter referred as 'the Company'**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and accordingly expressing my opinion thereupon.

Based on our verification of books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my opinion, the Company, has during the audit period covering the financial year ended on 31.03.2021 complied with various statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the Year ended 31.03.2021 according to the provisions of the following, as amended from time to time, and to the extent applicable:-

- i. The Companies Act, 2013 (the Act) and Rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **N.A.**
- iii. The Depositories Act, 1996 and the Regulations and Bye – Laws framed thereunder; **N.A.**
- iv. The provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **N.A.**
- v. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :- **N.A.**
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- vi. Other Laws Applicable to the Company as a Business Unit and Other Offices:
  - a) **Taxation Laws**
  - b) **Insurance Laws**
  - c) **Labour and Social Security Laws** – Employees State Insurance Act, 1948; Payment of Wages Act, 1936; Minimum Wages Act, 1948; Industrial Disputes Act, 1947; Payment of Bonus Act, 1965; Payment of Gratuity Act, 1972; Contract Labor (Regulation and Abolition) Act, 1970; Maternity Benefit Act, 1961; The Equal Remuneration Act 1976; Employees Provident Funds And Miscellaneous Act, 1952.
  - d) **IT Related Laws** – Information Technology Act, 2000;
  - e) **Miscellaneous Laws** – Electricity Act, 2003; Sexual Harassment of Women at Workplace (Prevention, Prohibition and Regulation) Act, 2013



## Board's Report (Contd.)

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has been regular in complying with various applicable provisions of the Act, rules, regulations, Guidelines and Standards etc. which are subject matter of present Audit Report, stated hereinabove.

**It is further reported that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non – Executive Director, Woman Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

In compliance with applicable provisions of the Companies Act, 2013 and rules made thereunder and Secretarial Standards issued by the Institute of Company Secretaries of India, adequate notices were given to all directors to schedule the Board Meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions are carried through unanimously and therefore dissenting members' views are not required to be captured and recorded as part of the minutes.

**We further report** that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report** that during the audit period there were no specific events/actions having a major bearing on Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards.

**For Neha S & Associates**  
Company Secretaries

**Neha Sharma**  
Proprietor

Membership No: 44741

CP No.:16522

UDIN: A044741C000509480

Date: 24.06.2021

Place: New Delhi

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.



## 'Annexure A'

To,  
The Members,  
Indiabulls Life Insurance Company Limited  
M-62 & 63, First Floor,  
Connaught Place, New Delhi – 110 001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. The maximum liability of our firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

**For Neha S & Associates**  
Company Secretaries

**Neha Sharma**  
Proprietor

Membership No: 44741

CP No.:16522

UDIN: A044741C000509480

Date: 24.06.2021

Place: New Delhi

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

For the Financial Year ended on March 31, 2021

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
**Indiabulls General Insurance Limited**  
M-62 & 63, First Floor,  
Connaught Place, New Delhi – 110 001

We have conducted, the Secretarial Audit of compliance of applicable statutory provisions and adherence to good corporate practices, by Indiabulls General Insurance Limited (**hereinafter referred as 'the Company'**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and accordingly expressing my opinion thereupon.

Based on our verification of books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my opinion, the Company, has during the audit period covering the financial year ended on 31.03.2021 complied with various statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the Year ended 31.03.2021 according to the provisions of the following, as amended from time to time, and to the extent applicable :-

- i. The Companies Act, 2013 (the Act) and Rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **N.A.**
- iii. The Depositories Act, 1996 and the Regulations and Bye – Laws framed thereunder; **N.A.**
- iv. The provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **N.A.**
- v. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :- **N.A.**
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- vi. Other Laws Applicable to the Company as a Business Unit and Other Offices:
  - a) **Taxation Laws**
  - b) **Insurance Laws**
  - c) **Labour and Social Security Laws** – Employees State Insurance Act, 1948; Payment of Wages Act, 1936; Minimum Wages Act, 1948; Industrial Disputes Act, 1947; Payment of Bonus Act, 1965; Payment of Gratuity Act, 1972; Contract Labor (Regulation and Abolition) Act, 1970; Maternity Benefit Act, 1961; The Equal Remuneration Act 1976; Employees Provident Funds And Miscellaneous Act, 1952.
  - d) **IT Related Laws** – Information Technology Act, 2000;
  - e) **Miscellaneous Laws** – Electricity Act, 2003; Sexual Harassment of Women at Workplace (Prevention, Prohibition and Regulation) Act, 2013

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has been regular in complying with various applicable provisions of the Act, rules, regulations, Guidelines and Standards etc. which are subject matter of present Audit Report, stated hereinabove.

**It is further reported that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non – Executive Director, Woman Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

In compliance with applicable provisions of the Companies Act, 2013 and rules made thereunder and Secretarial Standards issued by the Institute of Company Secretaries of India, adequate notices were given to all directors to schedule the Board Meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions are carried through unanimously and therefore dissenting members' views are not required to be captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period there were no specific events/actions having a major bearing on Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards.

**For NP Gupta & Associates**  
Company Secretaries

**Neha Gupta**  
Membership No.: 47714  
CP No: 17685  
UDIN: A047714C000511078

Place: New Delhi  
Date: 24th June, 2021

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

# Board's Report (Contd.)

## 'Annexure A'

To,  
The Members,  
**Indiabulls General Insurance Limited**  
M-62 & 63, First Floor,  
Connaught Place, New Delhi – 110 001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. The maximum liability of our firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

**For NP Gupta & Associates**  
Company Secretaries

**Neha Gupta**  
Membership No.: 47714  
CP No: 17685  
UDIN: A047714C000511078

Place: New Delhi  
Date: 24th June, 2021

## ANNEXURE 3

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

#### 1. Brief outline on CSR Policy of the Company

The Company focuses its CSR efforts on such areas, where it could provide maximum benefits to the society at large. The Company will continue to engage with stakeholders including experts, NGOs, professional bodies/ forums and the government and would take up such CSR activities in line with the government's intent, which are important for the society at large. The Company may also undertake such other CSR projects, where societal needs are high or in special situations.

#### 2. Composition of the CSR Committee

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Shamsher Singh Ahlawat	Chairman of Committee, Independent Director	2	2
2.	Mr. Ajit Kumar Mittal	Member of Committee, Non-Executive Director	2	2
3.	Mr. Manvinder Singh Walia	Member of Committee, Executive Director	2	2

#### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

Composition of the CSR committee shared above and CSR projects approved by the Board, are available on the Company's website at [https://www.yaari.com/api/static/Investors/1630668284999Disclosure\\_on\\_CSR\\_Committee\\_and\\_CSR\\_Projects.pdf](https://www.yaari.com/api/static/Investors/1630668284999Disclosure_on_CSR_Committee_and_CSR_Projects.pdf) and Policy of the Company is available at <https://www.yaari.com/investor/pdf/CSR%20Policy.pdf>.

#### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)

Not applicable

#### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

S. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1.	2017-18	NIL	NIL
2.	2018-19	NIL	NIL
3.	2019-20	NIL	NIL
	<b>Total</b>	<b>Nil</b>	<b>Nil</b>

#### 6. Average net profit of the company as per section 135(5): Rs. 6,82,56,590/-

#### 7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 13,70,000/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(c) Amount required to be set off for the financial year, if any: NIL

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 13,70,000/-

# Board's Report (Contd.)

## 8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
13,70,000	N.A.	N.A.	N.A.	N.A.	N.A.

## (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project State District	Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency Name CSR Registration number
1.	Promotion of Education including Scholarship to Students	(ii)	Yes	PAN India	3 years	13,70,000	13,70,000	N.A.	No	Indiabulls Foundation CSR00000380
<b>Total</b>						<b>13,70,000</b>	<b>13,70,000</b>			

## (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Ac	Local area (Yes/No)	Location of the project State District	Amount spent for the project (in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency Name CSR registration number
N.A.							

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 13,70,000/-

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	13,70,000
(ii)	Total amount spent for the Financial Year	13,70,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1.	2017-18	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.	2018-19	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.	2019-20	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed /Ongoing
N.A.								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

- (a) Date of creation or acquisition of the capital asset(s): N.A.
- (b) Amount of CSR spent for creation or acquisition of capital asset: N.A.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc : N.A.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): N.A.

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5) : N.A.

For Yaarii Digital Integrated Services Limited

**Kubeir Khara**  
Executive Director & CEO  
Date: September 6, 2021  
Place: Gurugram  
DIN: 03498226

**Ajit Kumar Mittal**  
Director  
Member - CSR Committee  
DIN: 02698115

**Shamsher Singh Ahlawat**  
Independent Director  
Chairman - CSR Committee  
DIN: 00017480

## ANNEXURE 4

### DISCLOSURES ON MANAGERIAL REMUNERATION

Details of remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as under –

#### Ratio of the remuneration of each director to the median employees' remuneration for FY 2020-21.

Name & Designation	Ratio of remuneration to median employees' remuneration
Chief Executive Officer & Executive Director	1.12:1

Mr. Kubeir Khara was appointed as Chief Executive Officer & Executive Director on the Board of the Company w.e.f. January 1, 2021.

It is to be noted that except Mr. Kubeir Khara, no remuneration was paid to any of the other Executive / Non-Executive Directors, except the payment of sitting fee to Independent Directors, during the financial year 2020-21. The details of fee for attending Board meetings, paid to Independent Directors have been disclosed in the Annual Return as on March 31, 2021, which is available on the Company's website on [https://www.yaari.com/investor/pdf/Form\\_MGT\\_7\\_Yaarii\\_Integrated\\_31\\_03\\_2021.pdf](https://www.yaari.com/investor/pdf/Form_MGT_7_Yaarii_Integrated_31_03_2021.pdf).

#### Percentage increase in remuneration of each director and Key Managerial Personnel in FY 2020-21.

No remuneration was paid to any of the Directors during the FY 2020-21 except Mr. Kubeir Khara, Chief Executive Officer & Executive Director, who was appointed on the Board of the Company w.e.f. January 1, 2021 and, since then there was no increase in his remuneration. Since it has been Company's endeavor to reduce annual operating costs significantly, to ensure sustainability and therefore in view of the economic scenario in the wake of COVID, during the year 2020-21, the senior management of the Company took voluntary salary cuts to lead the efforts on expense control. Therefore, during FY 2020-21, there was a decrease in remuneration of Company Secretary of the Company by 9.34%. Further, during the FY 2019-20, the Chief Financial Officer of the Company did not draw any remuneration from the Company, and therefore, percentage change in his remuneration cannot be ascertained.

#### The percentage increase in the median remuneration of employees in the FY 2020-21.

The percentage increase in the median remuneration of all the employees (including KMPs), computed on the basis of median remuneration for FY 2020-21 and FY 2019-20 was -9.34%.

#### Number of permanent employees on the rolls of Company

The Company had 74 employees on its permanent rolls, as of March 31, 2021.

#### Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

The average percentile decrease made in the salaries of total employees other than the key managerial personnel, for FY 2020-21 is around 18.79%, while there was a decrease in remuneration of Company Secretary in FY 2020-21 by 9.34%, due to voluntary salary cuts to lead the efforts on expense control, as stated above. The change in remuneration of Key Managerial Personnel was based on the voluntary measure adopted by senior management of the Company, focusing conserving capital and consequent rationalization of the balance sheet, as the COVID-19 pandemic was hitting the overall economy.

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

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

For and on behalf of the Board of Directors

Date: September 6, 2021  
Place: Gurugram

**Kubeir Khara**  
Executive Director & CEO  
DIN: 03498226

**Ajit Kumar Mittal**  
Director  
DIN:02698115



## ECONOMIC OVERVIEW

The pandemic was an unforeseen health catastrophe, which has had enormous impact on the global economy, contracting by 3.3% in 2020. Although the economy is being seemingly supported by multiple fiscal measures taken by the government to ease supply constraints and inject liquidity, the path to recovery has been inconsistent. The pandemic induced additional pressures on the already stressed Indian economy, which saw a steep economic slowdown, and is reported by National Statistical Office (NSO) to have contracted by 7.7% in FY 2021. This decline was sharper than expected.

However, multiple economic indicators have contributed positively towards broad-based resurgence of economic activity. The path to recovery will carry likelihood of further mobility restrictions, less stringent restrictions, targeted lockdown approach, and shorter duration of lockdowns, going forward. Resilient consumer and business behaviour to the New Normal will mitigate the economic impact of the second wave. Vaccination drives across country are a source of optimism and an enabler of continuity in an environment of uncertainty

As lockdown conditions have been progressively eased, early signs of recovery are evident in the most recent economic data. The most important growth factor for India is its large and fast-growing middle class, which is helping to drive consumer spending. The second-largest population, highest young and working population coupled with rapid urbanisation and rising affluence are key indigenous advantages to achieve stronger economic growth rate in India in the middle to long term.

## INDUSTRY OVERVIEW

The Indian economy was distressed because of the operational challenges on back of social distancing, remote working and closure of commercial activities. COVID-19 has reshaped consumer decisions and journeys forever; loyalties are being influenced by diverse macro and micro factors. Consumers are becoming more restrained in their purchases, with trading down for value buying, choosing convenience over anything else and sometimes opting for a combination of both.

The Company believes, despite the stressed economy there is a huge market potential in the social commerce space. The pandemic accelerated the adoption of multiple contactless services, including video and WhatsApp shopping and home delivery. Digital channel adoption for food delivery, grocery to all kind of shopping and services gained a higher share than before. Online sales increased by over 10% across most categories they are available in. The trend is expected to stay in India.

## BUSINESS OVERVIEW

As stated in the last couple of years, the Company, through two of its wholly owned subsidiaries, viz., Indiabulls Life Insurance Company Limited (IBLIC) and Indiabulls General Insurance Limited (IBGIL) intended to venture into Life and Non-Life insurance businesses, and had applied to the insurance regulator, Insurance Regulatory and Development Authority of India (IRDAI), for the necessary licenses for the same. Both IBLIC and IBGIL, got the preliminary approval (R1) for their proposed Life and Non-Life Insurance business, respectively, and then after satisfying all necessary pre-conditions and putting in place the necessary manpower and technology systems, had applied for necessary registration (R2) with IRDAI to commence their life insurance and general insurance business in India. However due to Covid-19 and other conditions, the companies faced inordinate delay in getting the next stage of approval (R2). All the necessary paperwork had been filed with the IRDAI and the necessary presentations made before the authorities, but still the final approval has not been forthcoming.

Meanwhile, due to change in business environment and economic scenario, which got impacted by the ongoing pandemic, the Company decided to upscale its digital platform business, being new age business ventures, where the Company management has a competitive edge, given Company's cutting edge technology platform and digital reach and in order to charter right direction for its continuous focus around promoting digital platform businesses and to grow to next frontier, the Company launched a social commerce marketplace 'Yaari', which enable small businesses and individual resellers to start their business online via social channels such as WhatsApp, Facebook, Instagram etc.

Yaari app is a social commerce marketplace for a bouquet of curated consumer products including, but not limited to, Fashion, Beauty and Personal care and electronics. Yaari is a mobile first business available for access anywhere anytime through its Android & iOS Application. Ever since its inception, Yaari has managed to help customers with their personal requirements of various financial products and is now venturing into business to fulfil customers' personal requirements in terms of consumer goods.

The Yaari app is designed to easily allow manufacturers and suppliers, list their products online and make a viable alternate channel to market their products Pan India. The resellers then leveraging the power of existing social networks, will market these products to their contacts and thereby supplementing their income through the platform. The app also provides aspiring entrepreneurs, especially women, the ease to start an online business from home by taking away risk of inventory management, payments and even order fulfilment.

Yaari app coupled with digitally connected Bharat, will accelerate the growth of online commerce and create an ecosystem that enables income support for aspiring Indians. Yaari is further looking to aggregate marketplace model to other online commerce verticals.

## BUSINESS RESTRUCTURING

To streamline the operations and ownership structure of the Company, in a manner leading to maximization of stakeholders' value and diversification of shareholders' portfolio by providing them direct ownership in each business segments, and to have a focused approach

## Management Discussion and Analysis (Contd.)

towards upcoming insurance business and digital platform business, the Board of Directors of the Company had approved the composite Scheme of Amalgamation and Arrangement amongst the Company, its direct and indirect subsidiaries (viz. SORIL Infra Resources Limited, Albasta Wholesale Services Limited, Sentia Properties Limited, Lucina Infrastructure Limited, Ashva Stud and Agricultural Farms Limited, Mahabala Infracon Private Limited, Store One Infra Resources Limited, Indiabulls Enterprises Limited and Indiabulls Pharmacare Limited) and Indiabulls Pharmaceuticals Limited and their respective shareholders and creditors ("Scheme"). Pursuant to the Scheme, the shareholders of the Company will get shares of Indiabulls Enterprises Limited, free of any cost, in lieu of their shareholding in the Company. The shares of Indiabulls Enterprises Limited will get listed on NSE and BSE and with this, post effectiveness of the Scheme, they will have shares of two listed entities –

- (1) the Company, the equity shares of which are listed and will remain listed on NSE and BSE, focusing on the business of digital platform, upcoming life and general insurance and related businesses, and
- (2) Indiabulls Enterprises Limited, equity shares of which will be listed on NSE and BSE, focusing on non-insurance businesses of the Company and its subsidiaries (including proposed pharma business and rural finance business).

Subsequent to receipt of NOCs (observation letters) from the National Stock Exchange of India Limited and BSE Limited, the Company had filed the Scheme and Company Application, under Sections 230 to 232 of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, before jurisdictional bench of NCLT ("NCLT") and NCLT, vide its order dated July 7, 2021, inter alia directed the meeting of the Company's equity shareholders to be convened on August 21, 2021, through Video Conference ("VC")/Other Audio-Visual Means ("OAVM") for the purpose of considering, and if thought fit, approving the Scheme by the shareholders. Your directors are pleased to inform that the shareholders of the Company, at aforementioned meeting, have approved the Scheme with requisite majority and thereafter, the Company has filed second motion application with NCLT.

### INDUSTRY STRUCTURE AND DEVELOPMENT AND BUSINESS OUTLOOK

The Company aims to build a stable, secure and sustainable business that is focused on maximizing growth opportunities within the industry. We envision as an upcoming online commerce company that is based on key principles of strong business fundamentals, predominantly focused on good governance, low cost operations, innovation and trust.

The Indian social commerce industry is still at the nascent stage is expected to grow to US\$ 70 billion by FY 2030, as it serves distinct needs of the consumers. Social commerce is expected to democratize the entire e-commerce industry, primarily driven by more distributed models that are built on trust and community. Also, it will help in structuring the unstructured long tail segments in the online commerce industry.

The Company's digital app Yaari coupled with the digitally connected Bharat, will accelerate the growth of online commerce and create an ecosystem that enables income support for over 40 million aspiring Indians.

The Government of India has announced various initiatives, namely Digital India, Make in India, Start-up India, Skill India and Innovation Fund. The timely and effective implementation of such programs will likely support growth of E-commerce in the country. Some of the major initiatives taken by the Government to promote E-commerce in India are as follows:

1. 100% FDI is allowed in B2B Commerce and 100% FDI under the automatic route is permitted in the marketplace model of ecommerce.
2. As of February 15, 2020, the Government eMarketplace (GeM), listed 1,071,747 sellers and service providers across over 13,899 product and 176 service categories. For the financial year 2020-21, government procurement from micro and small enterprises was worth Rs. 23,424 crore (US\$ 3.2 billion).
3. National Retail Policy: The government had identified five areas in its proposed national retail policy—ease of doing business, rationalisation of the licence process, digitisation of retail, focus on reforms and an open network for digital commerce—stating that offline retail and e-commerce.
4. Under the Digital India movement, Government launched various initiatives like Umang, Start-up India Portal, Bharat Interface for Money (BHIM) etc. to boost digitisation.
5. Heavy investment made by the Government in rolling out fiber network for 5G will help boost E-commerce in India.

Apart from this, adoption of technology, positive demographics changes and education, have contributed to this growth. As a result, the outlook for online commerce markets in emerging economies remains largely positive, even as cyclical and structural factors weigh on the overall macro growth prospects.

### OUR STRATEGY

Our strategy focuses on ensuring that our customer is at the core of everything we do. We believe in building a sustainable organization that remains relevant to the agenda of our stakeholders, and providing value to our clients, and aim to create growth opportunities to our employees and profitable returns to our investors. The Company's strategy for long term profitable growth is based on continuously scaling its various businesses in India, while investing in new markets and venturing into new businesses.

### **The customer experience is at the centre of the industry.**

Customers now demand a transparent and seamless experience enabled by technology that provides quick information/ feedback. Customers are now setting new standards of ease, convenience and value, expecting 24-hour access along with customized products at competitive prices. Customer journeys and an increasing focus on customer experiences is now emerging as a key imperative for the online commerce sector.

### **Digitisation**

Digital technology has proved to be a game changer in online commerce. Increasing internet penetration (expected to be 900 million by 2024) will continue to influence the online commerce business as well as other industries.

Blurring lines of business coupled with increased flow of information have created an ultracompetitive marketplace where it has become important to continuously innovate and be agile. Rapidly evolving customer behaviour means that providing a frictionless end-to-end buying experience to customers has become of utmost importance.

Considering Yaari existing & future digital customer base and huge potential in digital business, going forward, the Company intends to pursue its substantial existing and future businesses, including social commerce business, digitally under the brand Yaari, through its Yaari app, without any physical branches. Yaari will use its reach to millions of customers to sell, service & cater the Consumer products of Company's subsidiaries, as and when these products become available. This will be done through intuitive product UI with smart product recommendations & hassle free claims process.

## **OUR STRENGTHS**

### **Presence of dynamic leadership and professional management team**

The Company and the group companies are headed by professional industry leaders and are overseen by Boards comprising of eminent industry veterans. The Group benefits immensely from the diverse and collective experience of these individuals and the social commerce business will also draw from their inputs and experience. The Company will further have online commerce experts and will benefit from highly skilled and experienced key management personnel, well-trained employee force, business partners, strong analytics and technical background.

### **Technological expertise**

Yaari digital integrated service is a technology leaders within the sector pioneering many cost-effective and customer-centric innovations. The company has also effectively deployed technology to further expand its reach into the hinterlands. The technology thrust of the Group is customer focused and aims at offering utmost customer convenience and maximum cost effectiveness. While entering into the proposed social commerce business, the Company shall be highly benefited with group's technological expertise

### **Robust systems and process**

The Company believes that the systems and processes are its major strength. Considering the long-term nature of the business, the Company will put in place robust processes and systems for the orderly growth of the Company. We shall develop appropriate systems and processes to ensure that the investments of the Company are in line with the regulatory requirements and asset-liability norms

## **OPPORTUNITIES**

There are huge potential and opportunities in social commerce sector in India. Today, with a regulatory environment, increasingly aware digital customer and technological enablers, we believe we are in a good position to utilize the existing opportunities. The current market is focused primarily on the urban population, however, by re-imagining the social commerce way, we believe there is potential market to be unlocked. The Company believes that following are the key growth drivers that exist in the current market for its various business operations and opportunities:

### **Favourable demographics and economic factors**

India currently has over 600 million internet user, and is still in early stage of online commerce as only 28% of the active users purchase online. The active user base is expected to increase up to 900 million by 2024. While most of the active users are currently based in urban India, the shift is expected by 2024 wherein most the active users will be from Rural India. This changing demographic profile means that innovation in products, distribution and on-boarding, is of utmost importance to be able to provide a superior customer experience. These factors also highlight the wide array of growth opportunities for the social commerce industry.

### **Shifting towards Online Commerce**

Fear around Covid-19 has made greater awareness amongst people about online commerce. Pandemic induced lockdowns have pushed the new buyers and sellers onto the digital platform. Social Distancing compulsion coupled with increased internet penetration has galvanised the online commerce adoption beyond the metro cities and into small towns and rural areas. The structural shift in consumer behaviour has resulted in faster adoption of the online commerce. According to Forrester Research, Indian e-commerce sales increased by

## Management Discussion and Analysis (Contd.)

7-8% in 2020. Also, the e-commerce sector recorded growth as most consumers shifted to online shopping as opposed to stepping outside due to lockdown restrictions.

### Untapped Market

India ranks second in terms of the number of internet users. This number is split almost equally among urban and rural users. The number of internet users is further set to rise, with initiatives such as Digital Village providing internet access to more people. While the primary focus of the industry has been urban population, the potential to tap the tier 2 and tier 3 consumer is huge.

The majority of the consumers from tier 2, tier 3 cities and rural areas engage in value-based shopping driven via people they know—family members, friends, acquaintances or connections

## RISKS AND THREATS

### Economic Slowdown

As the Covid-19 cases continued to rise exponentially, the economy declined sharply. If the slowdown continues, its consequences will impact consumer confidence and customers spending behaviour as a result this might affect new business logins and persistency of social commerce business.

### Uncertainty

Uncertainty is the inability to predict the future with confidence. Because of the presence of uncertainty, we need to consider the effects of possible deviations from the projected figures. Due to overall uncertainty in the environment, the market volatility and consumer confidence we could experience a drop in demand as consumer confidence in the stock market is shaky.

### Supply chain management

The manifold disruptions due to Covid-19 related lockdowns, challenges in production, managing supply and distribution networks pose multi-dimensional risks that are rapidly evolving. These can disrupt supply chain and manufacturing processes and adversely impact business.

### Cyber security risk

Our operations are increasingly dependent on IT systems, digital interactions and management of information. The cyber-attack threat of unauthorised access and misuse of sensitive information or disruption to operations can inhibit business operations in several ways.

## SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS AND CHANGE IN RETURN ON NETWORK

In compliance with the requirements of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with other key financial ratios and changes in Return on Network of the Company (on standalone basis) including detailed explanations therefor are as under:

Particulars	2020-21	2019-20
<b>Ratios - Balance Sheet</b>		
During the year 2020-21, the debt of the Company has increased due to which debt-equity ratio has increased to 0.33 as compared to 0.12 in the previous year.		
Liquid cash as a % of total assets*	50%	52%
Debt Equity Ratio	0.33	0.12
<b>Ratios – Financial performance</b>		
The basic and diluted EPS of the Company decreased during the FY 2020-21, as the Company has incurred losses of ₹88.09 crore as compared to loss of ₹ 22.45 crore in the previous year. The finance cost of the Company has increased during the FY 2020-21 due to additional borrowings.		
Net Profit Margin	(18.23)	(2.21)
Basic EPS (in ₹)	(9.86)	(2.51)
Diluted EPS (in ₹)	(9.86)	(2.51)

\*Liquid cash includes current loans and investment in mutual funds less book overdraft.

### Change in Return on Network:

During the FY 2020-21 and FY 2019-20, the Company has incurred losses and hence return on network is negative in both the years.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate systems of internal control commensurate with its size and nature of business. It has institutionalised a robust and comprehensive internal control mechanism across all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws, and regulations. The Board Audit Committee oversees the compliance framework of the Company. The Company has formulated various internal policies/procedures and an employee code of conduct, which govern the day-to-day activities to ensure compliance. The Internal audit function provides independent and reasonable assurance about the adequacy and operating effectiveness of the Internal Controls to the Board and the Audit Committee.

### HUMAN RESOURCES

The Company firmly believes that its employees are the key to driving performance and developing competitive advantage. The emphasis has been on proper recruitment of talent and empowerment while devoting resources for their continuous development. The structured recruitment process, which the Company employs, focuses on recruiting people who have the right mindset for working, supported by structured training programs and internal growth opportunities. As on March 31, 2021, the Company had a strong team of 74 employees, who are aligned and dedicated towards the Company's goals.

### CAUTIONARY STATEMENT

*Statements in this Report on Management Discussion and Analysis describing the Company's objectives, estimates and expectations may be forward looking based on certain assumptions and expectations of future events. Actual results might differ substantially or materially from those expressed or implied. The Company here means the consolidated entity consisting of its subsidiary(ies).*

*The Company assumes no responsibility nor is under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.*

# Business responsibility Report

Yaarii Digital Integrated Services Limited (“Yaarii” or “the Company”), as an incorporated legal entity, came into existence July 24, 2007, under the Companies Act, 1956, and obtained the certificate for commencement of business on August 08, 2007.

Due to change in business environment and economic scenario, which got impacted by the ongoing pandemic, the Company decided to upscale its digital platform business, being new age business ventures, where the Company management has a competitive edge, given Company’s cutting edge technology platform and digital reach and in order to charter right direction for its continuous focus around promoting digital platform businesses and to grow to next frontier, the Company launched a social commerce marketplace ‘Yaari’, which enable small businesses and individual resellers to start their business online via social channels such as WhatsApp, Facebook, Instagram etc.

Yaari app is a social commerce marketplace for a bouquet of curated consumer products including, but not limited to, Fashion, Beauty and Personal care and electronics. Yaarii is a mobile first business available for access anywhere anytime through its Android & iOS Application. Ever since its inception, Yaarii has managed to help customers with their personal requirements of various financial products and is now venturing into business to fulfil customers’ personal requirements in terms of consumer goods.

The Yaari app is designed to easily allow manufacturers and suppliers, list their products online and make a viable alternate channel to market their products Pan India. The resellers then leveraging the power of existing social networks, will market these products to their contacts and thereby supplementing their income through the platform. The app also provides aspiring entrepreneurs, especially women, the ease to start an online business from home by taking away risk of inventory management, payments and even order fulfilment.

Yaari app coupled with digitally connected Bharat, will accelerate the growth of online commerce and create an ecosystem that enables income support for aspiring Indians. Yaari is further looking to aggregate marketplace model to other online commerce verticals.

Considering Yaari existing & future digital customer base and huge potential in digital business, going forward the Company intends to pursue its substantial existing and future businesses, including social commerce business, digitally under the brand Yaari, through its Yaari app, without any physical branches. Yaari will use its reach to millions of customers to sell, service & cater the Consumer products of Company’s subsidiaries, as and when these products become available. This will be done through intuitive product UI with smart product recommendations & hassle free claims process.

The Company has drawn up this Business Responsibility Report based on the “National Voluntary Guidelines on Socio-Economic and Environmental Responsibilities of Business” published by the Ministry of Corporate Affairs, Government of India in 2011, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the circulars issued by SEBI in this regard, to the extent applicable.

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	CIN	L51101HR2007PLC077999
2	Name of the Company	Yaarii Digital Integrated Services Limited
3	Registered office address	Plot No. 448-451 Udyog Vihar, Phase-V Gurgaon Gurgaon HR 122016
4	Corporate office address	One International Center, Tower 1, Senapati Bapat Marg, Elphinstone Road, Mumbai-400013
5	Website	www.yaari.com
6	E-mail id	helpme@yaari.com
7	Financial Year Reported	April 1, 2020 to March 31, 2021
8	Sector(s) that the Company is engaged in	The Company primarily, directly and through its subsidiaries, is presently engaged in the businesses of digital platform through Yaarii app, providing management and maintenance services, equipment hiring services, financial services with the primary focus on financing in rural markets, and other related services and businesses, and shall undertake its proposed life and general insurance business, through its subsidiaries, upon receipt of regulatory approvals.
9	List three key products/services that the Company provides	The Company primarily, directly and through its subsidiaries, is presently engaged in the businesses of digital platform through Yaarii app, providing management and maintenance services, equipment hiring services, financial services with the primary focus on financing in rural markets, and other related services and businesses, and shall undertake its proposed life and general insurance business, through its subsidiaries, upon receipt of regulatory approvals.
10	Total number of locations where business activity is undertaken by the Company:	Company’s digital platform Yaari and other businesses have PAN India presence
11	Markets served by the Company Local/ State/National/ International	National

**SECTION B: FINANCIAL DETAILS OF THE COMPANY**

1	Paid up Capital (INR)	Rs. 17.87 crores
2	Total Turnover (INR)	Rs. 4.84 crores
3	Total profit / (loss) after taxes (INR)	Rs. (88.28) crores
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Rs. 0.14 crores
5	List of activities in which expenditure in 4 above has been incurred	Promotion of Education including Scholarship to Students

**SECTION C: OTHER DETAILS**

**1. Does the Company have any Subsidiary Company/ Companies?**

The Company had 13 subsidiaries as on March 31, 2021. The details of the subsidiaries are provided in the Annual Return as on March 31, 2021 is available on website of the Company, at web-link: [https://www.yaari.com/investor/pdf/Form\\_MGT\\_7\\_Yaarii\\_Integrated\\_31\\_03\\_2021.pdf](https://www.yaari.com/investor/pdf/Form_MGT_7_Yaarii_Integrated_31_03_2021.pdf).

**2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).**

The subsidiaries of the Company are separate legal entities and follow BR initiatives as per rules and regulations as may be applicable

**3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

No. The Company has not mandated any supplier, distributor etc. to participate in the BR initiatives of the Company

**SECTION D: BR INFORMATION**

**Details of Director/Directors responsible for BR**

**a) Details of the Director(s) responsible for implementation of the BR policy**

1	DIN	03498226	02698115
2	Name	Mr. Kubeir Khera	Mr. Ajit Kumar Mittal
3	Designation	CEO & Executive Director	Non-Executive Director

**b) Details of the BR Head**

1	DIN	03498226
2	Name	Mr. Kubeir Khera
3	Designation	CEO & Executive Director
4	Telephone	+91-22-61899700
5	Email ID	helpdesk@indiabulls.com

**2. Principle-wise as per NVGs BR Policies**

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

1. Businesses should conduct and govern themselves with ethics, transparency and accountability
2. Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
3. Businesses should promote the well-being of all employees
4. Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
5. Businesses should respect and promote human rights
6. Businesses should respect, protect and make efforts to restore the environment



## Business responsibility Report (Contd.)

7. Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
8. Businesses should support inclusive growth and equitable development
9. Businesses should engage with and provide value to their customers and consumers in a responsible manner

### Details of compliance (Reply in Y/N):

No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	-	Y	Y
		Refer Note 1	Refer Note 1	Refer Note 1	Refer Note 1	Refer Note 1	Refer Note 1		Refer Note 1	Refer Note 1
3	3. Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	-	Y	Y
		Refer Note 1	Refer Note 1	Refer Note 1	Refer Note 1	Refer Note 1	Refer Note 1		Refer Note 1	Refer Note 1
4	4. Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	-	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	-	Y	Y
6	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	-	Y	Y
		Refer Note 2	Refer Note 2	Refer Note 2	Refer Note 2	Refer Note 2	Refer Note 2		Refer Note 2	Refer Note 3
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	-	Y	Y
8	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	-	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	-	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	-	Y	Y
		Refer Note 4	Refer Note 4	Refer Note 4	Refer Note 4	Refer Note 4	Refer Note 4		Refer Note 4	Refer Note 4

Note 1: Policies have been developed based on the best practices or as per the regulatory requirements and through appropriate consultation with relevant stakeholders.

Note 2: May include a combination of internal policies of the Company which are accessible to all internal stakeholders and the policies are placed on the Company's website at [www.yaari.com](http://www.yaari.com)

Note 3: The policies of the Company are internal documents.

Note 4: The policies are internally evaluated by various department heads, business heads and the management.

Note 5: Details on each of the principles are provided in Section E under-mentioned.



### 3. Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The BR performance of the Company is periodically assessed by the BR Head during the year.

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time-to-time), the Company publishes a Business Responsibility Report as an Annexure to the Board's Report on an annual basis. Business Responsibility Report of the Company is available on the website of the Company viz. [www.yaari.com](http://www.yaari.com)

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1: Business should conduct and govern themselves with ethics, transparency and accountability Ethics, Transparency, Accountability

Ethics, transparency and personal accountability form the core values of the Company. It focuses on high standards of corporate governance, in the conduct of its business. It has zero-tolerance for bribery and corruption and strives to build and maintain relationships with its lenders, borrowers, shareholders and other stakeholders in a fair, transparent and professional manner. The Company adheres to all applicable governmental and regulatory rules in order to ensure complete transparency and accountability in all business practices. Any and all breaches of Company guidelines are viewed very seriously by Management, who ensures that appropriate disciplinary action is taken. The Company has constituted various committees such as: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, Compensation Committee, Corporate Social Responsibility Committee, Management Committee, Reorganization Committee. These committees meet periodically to supervise, review and advice on the relevant/ respective matters. The Company is committed to conducting all aspects of its business in keeping with the highest legal and ethical standards and expects all employees and other persons acting on its behalf to uphold this commitment. In accordance with this commitment, the Company has adopted Anti-Corruption Compliance Policy, which is applicable to all directors, officers, employees, agents, representatives and other associated persons of the Company. In brief, the Company will not tolerate bribery, kickbacks, or corruption of any kind, directly or through third parties, whether or not explicitly prohibited by this Policy or by law. Company Personnel are not permitted to give or offer anything of value (including gifts, hospitality, or entertainment) to anyone for the purpose of improperly obtaining or retaining a business advantage. Similarly, Company Personnel may not solicit or accept such improper payments.

#### Code of Conduct

With the objective of enhancing the standards of governance, the Company has formulated and adopted Code of Conduct & Ethics for its Board Members and Senior Management team. The Code is placed on the website of the Company, which provides for ethical, transparent and accountable behaviour by its Directors and Senior Management team. The Company lays utmost importance on integrity while recruiting employees. The Employee Code of Conduct provides the framework within which the Company expects its business operations to be carried out and lays down the standards and principles, to be followed by all its employees. Failure to comply with the Code leads to disciplinary action, including dismissal from the services of the Company. All employees are handed over a copy of the Employee Code of Conduct on their first day of joining the Company, as a part of the employee joining kit. Additionally, the contents of the Code of Conduct are also shared in detail with the employees through a specific module that forms part of the HR session during the employee induction training programme. The Company has also formulated and adopted various other codes and policies including Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, policy on Protection of Women Against Sexual Harassment at Workplace, Code of Conduct for Prevention of Insider Trading etc, in terms of laws applicable to its business, which are applicable to all its employees / directors for enforcement of ethical conduct from a governance, regulatory and risk management perspective. In addition, the Company has a Whistle Blower Policy through which the Company seeks to provide a mechanism for its employees, directors, vendors or customers to disclose any unethical and/or improper practice(s) suspected to be taking place in the Company for appropriate action and reporting. Further, no employee was denied access to the Audit Committee and all disclosures are reported to the Chairman of the Audit Committee. The Code of Conduct and the Whistle Blower Policy are uploaded on the Company's website – [www.yaari.com](http://www.yaari.com). The Code of Conduct and other policies adopted by the Company applies to the employees of the Company and that of its subsidiary companies.

#### Stakeholder Complaints

The Company is committed to providing effective and prompt service to all its stakeholders. The central operations team along with the call centre records and redresses grievances and feedback from customers. Complaints and grievances are addressed in a time-bound manner. Regular analysis of customer issues is conducted and where required corrective measures are taken in the Company's processes. Designated customer care personnel are responsible for ensuring efficient and effective resolution of complaints within the prescribed turnaround time. All complaints are centrally monitored at the Head Office by the Operations and/or customer care team. The Company has in-built grievance redressal and escalation mechanism wherein complaints are escalated to the level of Head Customer Care and Operations/Business/Sales Head(s). The Company has not yet received any incidence / complaint of Whistle Blower or code of conduct &

## Business responsibility Report (Contd.)

ethics. During the year 2020-21, the Company received 2(two) shareholders complaints, which were duly redressed. Customer complaints are addressed in the normal course of business by a dedicated team of Customer Services personnel. The Company submits a periodic status of complaints received, redressed and outstanding from its stakeholders along with the nature of complaints and their mode of redressal to the Board constituted Stakeholders Relationship Committee and the statement of all such complaints and their status are also placed before Board.

### **Data Privacy and Cyber Security**

The Company treats customers' data with utmost sensitivity and accords the highest standards of privacy and security against cybercrime and data theft. IT Security and Customer Data is a valuable asset and safeguarding business information and IT Infrastructure from any kind of cyber security threat is a top priority for the Company, and this is done through effective monitoring and implementation of risk mitigation measures. We undertake vulnerability assessment and penetration testing regularly through internal resources as well as external experts to test and improve the implemented control measures. The Company explicitly discloses the manner in which customer information is collected, stored and used and also ensures that the usage of customer information is in compliance with various statutory and regulatory authorities' requirements.

### **Third Party Engagements**

The Company recognizes that having an association with suppliers/ vendors/distributors from diverse backgrounds but with a focus on the Company's mission of sustainability and governance, contributes to increased efficiency and innovation to provide an enhanced yet standard experience for its customers.

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

#### **Environmental Standards**

The Company continuously aims to reduce the impact on environment by optimizing the usage of various resources. The Company works at minimizing its carbon footprint and there is particular focus on reduced resource usage. The Company has been able to reduce energy consumption by using star rated appliances where possible and also through the replacement of CFL lights with LED lights. Monitoring resource usage, improved process efficiency, reduced waste generation and disposal costs have also supported the cause. The Company has in place an Environmental Management Systems (EMS) that helps assess the environmental cost of the Company's services and activities, and seeks to reduce or eliminate the negative impact and increase their positive effects.

#### **Resource Savings**

The Company has undertaken initiatives and energy efficient measures at its office premises such as use of LED light fittings, provision of centralised waste collection, etc. At most of its offices across India, the CFL light fitting have been replaced by LED light fittings to conserve energy. The Company promotes the use of electronic means of communication with its shareholders by sending electronic communication for confirmation of payments and other similar purposes. The Company also encourages the use of electronic mode of communications to and from all its stakeholders. Soft copies of the annual report(s) along with the notice convening the Annual General Meeting(s) were sent to its shareholders so as to minimize the usage of paper

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

#### **Equitable Employment**

The Company has always advocated a business environment that favours the concept of equal employment opportunities for all without any discrimination with respect to caste, creed, gender, race, religion, disability or sexual orientation. The Company provides a workplace environment that is safe, hygienic, and humane which upholds the dignity of its employees. The Company does not employ child labour directly or indirectly in any of its offices/projects.

#### **Enabling a Gender Friendly & safe Workplace**

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

#### **Policies for Employee Grievances**

The Company believes in smooth and effective communication to ensure better flow of information and understanding amongst its employees. Any employee, irrespective of hierarchy, has free access to the members of senior management for sharing creative ideas, suggestions or even personal grievances. The Company has strengthened its vigil mechanism by adopting the Whistle Blower Policy which is applicable to its directors, employees and other stakeholders. The said policy which has been uploaded on Company's website and also communicated to all its employees aims to promote good governance, instil faith and empower all stakeholders to fearlessly voice their concerns

### Gender Inclusion

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

### Work-Life Balance

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

### Employee Engagement

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

### Development of Employees

The Company believes in the all-round development of its employees. Job specific knowledge gaps, skills and attitudes are identified during the performance appraisal process. Through constant learning and development, the Company ensures that its employees are adequately trained in functional and behavioural skills to sustain high standards of service. The Company nominates its employees for self-development and leadership programmes for further enhancing their competencies and skill sets. Learning and development needs are also identified on the basis of internal audit reports as well as customer feedback. On-the-job training, job rotation or training through various programmes – internal, external are offered to employees to upgrade their competencies.

### Mentoring Program

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

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

### Corporate Social Responsibility

The Company strives to approach its CSR activities with the goal to identify and work across a range of social initiatives that have a long-term sustainable impact. The details of CSR activities undertaken by the Company are provided in the Annual Report on Corporate Social Responsibility (CSR) Activities which forms part of this Annual Report

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

### Principle 5: Businesses should respect and promote human rights

#### Human Rights

The Company complies and adheres to all the human rights laws and guidelines of the Constitution of India, national laws and policies. The Company treats all its stakeholders and customers with dignity, respect and due understanding. The Company takes care to be just, patient and understanding while dealing with delinquent customers. The Company has put in place an internal culture work ethics where delinquent customers are treated with fairness. Customers who have difficulty in making regular payments are counselled patiently and given sufficient opportunities to recover from difficulties. Employee training programmes lay emphasis on this aspect. Any complaints and grievances pertaining to behavioural issues are attended to personally by senior officers.

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

#### Green Initiatives

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

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

The Company would makes various recommendations/representations before various regulators, forums and associations relevant to further growth of Industry in the country, as and when required.

## Business responsibility Report (Contd.)

### **Principle 8: Businesses should support inclusive growth and equitable development**

As a committed corporate citizen, the Company has promoted and undertaken various social welfare initiatives. Details of CSR activities undertaken by the Company are provided in the Annual Report on Corporate Social Responsibility (CSR) Activities which forms part of this Annual Report.

### **Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner Customer Relationship Enhancement and Managing System**

The Company is committed to providing effective and prompt service to all its stakeholders. The Company aims to reduce the number of grievances, attain the operational excellence and ensures continuous improvement by doing periodical root-cause analysis (RCA) of all the received grievances.

### **Transparent Communication**

The Company strives to ensure that transparent, correct and relevant information, pertaining to its products and services, is disseminated through its advertising material and the information displayed on the digital platforms owned by the Company. The Company encourages responsible and responsive communication towards all its stakeholders be it customers, media, investors, analysts, regulatory authorities, vendors and other stakeholders. The Company is a strong proponent of true and fair advertising and as such, discourages all kinds of means and activities that are unethical, abusive, derogatory or anti- competitive. All the communication material released by the Company adheres to the mandated regulatory requirements. The Company has complied with all the advertising norms applicable to the Company. The important product attributes relevant information about the projects, fees and charges, and other important notifications like most important terms & conditions are displayed prominently in each of the Company office. This information is available on the Company's website as well. The Company is extending its presence to various social and digital platforms to engage and connect with existing customers and also to reach out to newer audiences through constant communication, which is in consonance with its brand values and the prescribed regulatory framework. The performance and financials of the Company are disclosed to BSE and NSE for information to all its stakeholders and on its website.

### **Grievance Redressal**

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

## 1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

The COVID-19 pandemic has caused an unprecedented health and economic crisis across the globe. The severity of its impact on economy and day-to-day life is still evolving. Companies are having to be nimble-footed and continuously evolve their strategies to deal with the emergent challenges. The Board has played a critical role helping the Company navigate the issues brought on by the COVID-19 pandemic. The Board is responsive and their depth of experience helps the management team evolve measured responses to issues that come up. The board guided the management in implementing cost rationalization measures at every level and across every function of the Company.

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

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

## 2. BOARD OF DIRECTORS ("BOARD")

### A. Composition and size of the Board

The Board of the Company has been constituted in compliance with the Companies Act, 2013 and Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "SEBI LODR") as amended and in accordance with highest standards of Corporate Governance in its management, which ensures an appropriate mix of Executive/Non Executive, Woman Director and Independent Directors with demonstrated skill sets and relevant experience. The Board members have professional knowledge and experience in diverse fields.

The Board consists of seven directors of whom two are Executive Directors (one being designated as CEO) and the remaining five directors are non- executive directors, with four of such directors being Independent Directors (one of them is a Woman Director). No Director is related to any other Director on the Board.

The core skills/ practical experience/ special knowledge/ competencies those are identified by the Board of Directors of the Company, as required in the context of Company's business(es) and sector(s) to function effectively are building and scaling up digital platform, insurance, sales and marketing of digital platform business and insurance products, Finance Management, Tax Regulatory compliances, business strategy, business development, resource mobilization, credit control, collections, Economics, Law, Business Management, Risk Management, Human Resources, project execution etc. The Directors of the Company have mapped their skills based on the board skill matrix.

## Corporate Governance Report (Contd.)

The details of Directors, directorship in listed companies, number of directorships held by them in other companies and also the number of their memberships and chairmanships on various Board Committees, including skill sets/ expertise/ competencies/ practical knowledge, as on March 31, 2021 are as under:

Sl. No.	Name of the Director	Category of Director	Special Knowledge/ Practical Experience/ Skills/ Expertise/ Competencies	No. of Directorships in other Companies* (including listed companies)	Directorship in other Listed Companies & Category of Directorship	No. of Memberships/ Chairmanships in the Board Committees of various companies (including the Company)**	
						Member***	Chairman
1.	Mr. Kubeir Khera (DIN: 03498226)	CEO & Executive Director	Business Strategy, Business development, brand-building, marketing & sales across advertising, financial services and real estate sectors, deep understanding of digital businesses.	5	N.A.	Nil	Nil
2.	Mr. Manvinder Singh Walia (DIN: 07988213)	Executive Director	Business Strategy, Business development and scaling up, Sales and marketing of insurance products, Finance management, Resource mobilization, Human Resources management, Risk Management, Operations and Process Optimization	1	N.A.	1	Nil
3.	Mr. Ajit Kumar Mittal (DIN: 02698115)	Non-Executive Director	Business Strategy, Finance management, Risk Management, Corporate Governance, Regulatory Compliances, Credit control, Economics, Law, Corporate Governance, Value Creation and Stakeholder Management	7	Indiabulls Housing Finance Limited (Executive Director), Indiabulls Commercial Credit Limited (Non-Executive Chairman)^ Dhani Loans and Services Limited (Non-Executive Director)^	3	1
4.	Mr. Shamsher Singh Ahlawat (DIN: 00017480)	Non-Executive Independent Director	Industry Knowledge & Experience, Financial, Regulatory / legal & Risk Management, Corporate Governance, Operations and Process Optimization, Banking and Finance	8	Indiabulls Real Estate Limited (Non-Executive Independent Director) Indiabulls Housing Finance Limited (Non-Executive Independent Director) Indiabulls Commercial Credit Limited (Non-Executive Independent Director)^	10	3
5.	Mr. Gurrappa Gopalakrishna (DIN: 06407040)	Non-Executive Independent Director	Regulatory Compliances, Risk Management, Corporate Governance, Corporate Social Responsibility and Stakeholder Management	7	N.A.	5	0

Sl. No.	Name of the Director	Category of Director	Special Knowledge/ Practical Experience/ Skills/ Expertise/ Competencies	No. of Directorships in other Companies* (including listed companies)	Directorship in other Listed Companies & Category of Directorship	No. of Memberships/ Chairmanships in the Board Committees of various companies (including the Company)**	
						Member***	Chairman
6.	Justice Mrs. Gyan Sudha Misra (Retd.) (DIN: 07577265)	Non-Executive Independent Director	Financial, legal & Corporate Legal	5	Regulatory / Risk Management, Governance, Indiabulls Housing Finance Limited (Non-Executive Independent Director) Indiabulls Real Estate Limited (Non-Executive Independent Director) Olectra Greentech Limited (Non-Executive Independent Director) Ruchi Soya Industries Limited (Non-Executive Independent Director)	5	1
7.	Mr. Praveen Kumar Tripathi (DIN: 02167497)	Non-Executive Independent Director	Risk Management, Corporate Management and administration.	4	Indiabulls Real Estate Limited (Non-Executive Independent Director) Dhani Services Limited (Non-Executive Independent Director) JBM Auto Limited (Non-Executive Independent Director)	3	2

\*Includes directorships held in private limited companies, foreign companies and Companies under Section 8 of the Companies Act, 2013.

\*\*Only memberships of the Audit Committee / Stakeholders' Relationship Committee in various public limited companies and chairmanship of the Audit Committee / Stakeholders' Relationship Committee in various equity listed limited companies, including this listed company are considered, as per Regulation 26 of the SEBI LODR.

\*\*\*Includes Chairmanship in the Committees.

^Only debt securities of these companies are listed on NSE and/or BSE

The Board of Directors of the Company do hereby confirm that all the present Independent Directors of the Company fulfill the conditions specified in the SEBI LODR and are Independent of the management.

The Board of Directors of the Company had accepted all recommendations of committees of the Board which are mandatorily required, during the financial year 2020-21.

None of the Non-Executive Directors held any equity share and/or convertible security of the Company during the financial year ended March 31, 2021.

The Company has familiarization programme for Independent Directors with regard to their roles, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. The familiarization programmes along with details of the same imparted to the Independent Directors during the year are available on the website of the Company, at web-link: <https://www.yaari.com/investor/pdf/Details%20of%20familiarization%20programmes%20imparted%20to%20independent%20directors.pdf>

## B. Details of Board Meetings and the last Annual General Meeting (AGM) and attendance record of Directors thereat

The Board meetings of the Company are held in a highly professional manner, after giving proper notice, Board papers, agenda and other explanatory notes / relevant information to each of the directors of the Company, well in advance.

Senior management including the CFO and concerned senior management personnel are generally invited to attend the board meetings so as to provide additional inputs on the items being discussed by the Board. At the board meetings, Executive Directors and senior management explain the Board members on various matters including the financial results, operations related issues etc.



## Corporate Governance Report (Contd.)

During the financial year 2020-21, the Board met 8 (Eight) times. The dates of the meetings were July 11, 2020, August 29, 2020, September 12, 2020, October 16, 2020, November 13, 2020, January 01, 2021, January 15, 2021 and March 19, 2021. During the year, a separate meeting of the Independent Directors was held on January 15, 2021 without the attendance of non-independent directors and the members of the management. All Independent Directors attended the said meeting. At the meeting, the independent directors assessed the quality, quantity and timeliness of the flow of information between the Company's management and the board.

The last Annual General Meeting (AGM) of the Company was held on November 13, 2020.

Attendance of Directors at the Board Meetings held during the FY 2020-21 and at the last Annual General Meeting are as under:

Sl. No.	Name of the Directors	No. of Meetings held during the tenure	No. of Board Meetings attended	Attendance at the last AGM
1	Mr. Kubeir Khera* (DIN: 03498226)	2	2	NA
2	Mr. Manvinder Singh Walia (DIN: 07988213)	8	8	Yes
3	Mr. Ajit Kumar Mittal (DIN: 02698115)	8	8	Yes
4	Mr. Shamsher Singh Ahlawat (DIN: 00017480)	8	8	Yes
5	Mr. Gurrappa Gopalakrishna (DIN: 06407040)	8	7**	Yes
6	Justice Gyan Sudha Misra (Retd.) (DIN: 07577265)	8	8	Yes
7	Mr. Praveen Kumar Tripathi (DIN: 02167497)	8	8	Yes

\*Appointed as CEO & Executive Director of the Company w.e.f. January 1, 2021.

\*\*Mr. Gurrappa Gopalakrishna could not attend the meeting held on July 11, 2020, due to a prior commitment.

The minutes of the Board meetings of the unlisted subsidiary companies of the Company are placed before the Board meetings of the Company on a quarterly basis.

### 3. COMMITTEES OF THE BOARD

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

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

#### A. Audit Committee

##### Composition

The Audit Committee of the Board comprises of three members, all Non-executive Independent Directors, namely Justice Gyan Sudha Misra (Retd.), as Chairperson, Mr. Shamsher Singh Ahlawat and Mr. Gurrappa Gopalakrishna, as other two members of the Committee. Ms. Priya Jain, Company Secretary of the Company also acts as the Secretary of the Audit Committee.

##### Terms of reference

The terms of reference of the Audit Committee, inter-alia, includes:

- To oversee the financial reporting process and disclosure of financial information;
- To review with management, quarterly and annual financial statements and ensure their accuracy and correctness before submission to the Board;
- To review with management and internal auditors, the adequacy of internal control systems, approving the internal audit plans and reviewing the efficacy of their function, discussion and review of periodic audit reports including findings of internal investigations;
- To recommend the appointment of the internal and statutory auditors and fixing their remuneration;
- To hold discussions with the statutory and internal auditors;
- To review and monitor auditor's independence and performance, and effectiveness of audit process;
- To examine the auditors' report on financial statements of the Company (in addition to the financial statements) before submission to the Board;



- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Monitoring the end use of funds raised through public offers and related matters as and when such funds are raised and also there viewing with the management the utilization of the funds so raised, for purposes other than those stated in the relevant offer document, if any and making appropriate recommendations to the Board in this regard;
- Evaluation of the risk management systems (in addition to the internal control systems);
- Review and monitoring of the performance of the statutory auditors and effectiveness of the audit process;
- To hold post audit discussions with the auditors to ascertain any area of concern;
- To review the functioning of the whistle blower mechanism;
- Approval to the appointment of the CFO after assessing the qualifications, experience and background etc. of the candidate;
- Reviewing the utilization of loans and/or advances and/or investment by the Company to its subsidiary companies, exceeding rupees 100 Crore or 10% of the assets side of the respective subsidiary companies, whichever is lower, including existing loans / advances / investment existing as on April 01, 2019.

#### Meetings and Attendance during the year

During the FY 2020-21, the Audit Committee met four times. The dates of the meetings being July 11, 2020, September 12, 2020, November 13, 2020 and January 15, 2021.

The attendance record of committee members to the meetings so held is depicted in the table given below:

Name of the Member	No. Meetings held during the tenure	No. of Meetings attended
Justice Gyan Sudha Misra (Retd.)	4	4
Mr. Shamsher Singh Ahlawat	4	4
Mr. Gurrappa Gopalakrishna	4	3*

\*Mr. Gurrappa Gopalakrishna could not attend the meeting held on July 11, 2020, due to a prior commitment.

The Chief Financial Officer, Statutory and Internal Auditors attended the meetings by invitation.

#### B. Nomination & Remuneration Committee

##### Composition

The Nomination & Remuneration Committee (N&R Committee) of the Board comprises of three Non-Executive Directors as its members namely Mr. Shamsher Singh Ahlawat, as the Chairman, Justice Gyan Sudha Misra (Retd.) and Mr. Ajit Kumar Mittal, as the other two members. Two out of the three members namely Mr. Shamsher Singh Ahlawat and Justice Gyan Sudha Misra (Retd.), are Independent Directors.

##### Terms of reference

The terms of reference of N&R Committee, inter-alia, includes:

- To recommend to the Board, compensation terms of the Executive Directors;
- To assist the Board in determining and implementing the Company's Policy on the remuneration of Executive Directors;
- Identifying the persons who are qualified to become directors and those who may be appointed in senior management in accordance with the criteria laid down by it and recommending to the Board their appointment and removal and carrying out the evaluation of the performance of every director;
- Formulating the criteria for determining the qualifications, positive attributes and independence of a director.
- Recommending to the Board all remuneration, in whatever form, payable to senior management.

##### Meetings and Attendance during the year

During the FY 2020-21, the Committee met two times on August 29, 2020 and January 01, 2021.

## Corporate Governance Report (Contd.)

The attendance record of committee members to the meetings, so held, is depicted in the table given below:

Name of the Member	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Shamsher Singh Ahlawat	2	2
Justice Gyan Sudha Misra (Retd.)	2	2
Mr. Ajit Kumar Mittal	2	2

### Policy for selection and appointment of Directors

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

- The incumbent for the positions of Executive Directors and/or at senior management, shall be the persons of high integrity, possesses relevant expertise, experience and leadership qualities, required for the position.
- The Non-Executive Directors shall be of high integrity, with relevant expertise and experience so as to have the diverse Board with Directors having expertise in the fields of finance, banking, regulatory, real estate, retail, facility management, hospitality, taxation, law, governance and general management.
- In case of appointment of Independent Directors, the independent nature of the proposed appointee vis-a-vis the Company, shall be ensured.
- The N&R Committee shall consider qualification, experience, expertise of the incumbent, and shall also ensure that such other criteria with regard to age and other qualification etc., as laid down under the Companies Act, 2013 or other applicable laws are fulfilled, before recommending to the Board, for their appointment as Directors.
- In case of re-appointment, the Board shall take into consideration, the performance evaluation of the Director and his engagement level.

### Remuneration Policy

Company's Remuneration Policy is market led, based on the fundamental principles of payment for performance, for potential and for growth. It also takes into account the competitive circumstances of the business, so as to attract and retain quality talent and leverage performance significantly. The N&R Committee recommends the remuneration payable to the Executive Directors and/or Key Managerial Personnel, for approval by Board of Directors of the Company, subject to the approval of its shareholders, wherever necessary. The Remuneration Policy is also available at the website of the Company, at web-link: [https://www.yaari.com/investor/pdf/Remuneration%20Policy\\_IBULISL.pdf](https://www.yaari.com/investor/pdf/Remuneration%20Policy_IBULISL.pdf).

### Performance Evaluation criteria for Independent Directors

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of the SEBI LODR, the N&R Committee has laid down the criteria for performance evaluation of Independent Directors, which inter-alia covers level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board of Directors except the Directors subject to evaluation. The Directors expressed their satisfaction with the evaluation process.

### Policy on Board Diversity

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

### Directors' Remuneration:

#### (i) Remuneration of Executive Director

During FY 2020-21, Mr. Manvinder Singh Walia, Executive Director did not draw any remuneration. Mr. Kubeir Khera, CEO & Executive Director, is being paid remuneration as recommended by N&R Committee and approved by the Board of Directors.

Details of remuneration paid to Mr. Kubeir Khera during the year under review are provided in the Annual Return as on March 31, 2021, which is available on the Company's website on [https://www.yaari.com/investor/pdf/Form\\_MGT\\_7\\_Yaari\\_Integrated\\_31\\_03\\_2021.pdf](https://www.yaari.com/investor/pdf/Form_MGT_7_Yaari_Integrated_31_03_2021.pdf)

#### (ii) Remuneration of Non-Executive Director

With changes in the corporate governance norms brought in by the Companies Act, 2013 as well as SEBI LODR, the role of Non-Executive Directors (NED) and the degree and quality of their engagement with the Board and the Company has undergone significant changes over a period of time. The Company is being hugely benefited from the expertise, advice

and inputs provided by the NEDs. They devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestion and guidance to the management of the Company. The Company is making payment of sitting fee to its Independent Directors in accordance with the provisions of the Companies Act, 2013 and SEBI LODR. The Company has placed on its website, criteria for making payment to Non- Executive Directors. During the FY ended March 31, 2021, the Independent Directors have been paid sitting fees for attending the Board meetings of the Company. Except sitting fees, the Non-Executive Directors have not been paid any remuneration / Bonus / Severance fees / Performance Linked Incentives or by way of any other benefits, during the FY 2020-21. Details of sitting fees paid to the Independent Directors has been disclosed in the Annual Return as on March 31, 2021, which is available on the Company's website on [https://www.yaari.com/investor/pdf/Form\\_MGT\\_7\\_Yaarii\\_Integrated\\_31\\_03\\_2021.pdf](https://www.yaari.com/investor/pdf/Form_MGT_7_Yaarii_Integrated_31_03_2021.pdf). The Company has not issued any stock option to its Non-Executive Directors. There were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company.

### C. Stakeholders Relationship Committee

#### Composition

The Stakeholders Relationship Committee of the Board comprises of three members namely Mr. Ajit Kumar Mittal, Non-Executive Director, as the Chairman and Justice Gyan Sudha Misra (Retd.) and Mr. Manvinder Singh Walia, as other two members.

#### Terms of Reference

- To approve requests for share transfers and transmissions;
- To approve the requests pertaining to remat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc.;
- To oversee all matters encompassing the shareholders' / investors' related issues.
- Resolving the grievances of the security holders of the Company, including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

#### Meetings and Attendance during the year

During the FY 2020-21, the Committee met three times. The dates of the meetings were July 11, 2020, October 6, 2020 and January 15, 2021.

The attendance record of committee members in respect of the meetings so held is depicted in the table given below:

Name of the Member	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Ajit Kumar Mittal	3	3
Mr. Manvinder Singh Walia	3	3
Justice Gyan Sudha Misra (Retd.)	3	3

#### Name and designation of Compliance Officer

Ms. Priya Jain, Company Secretary is the Compliance Officer pursuant to Regulation 6(1) of SEBI LODR.

Details of queries / complaints received and resolved during the year 2020-21

Sl. No.	Particulars	Opening	Received	Disposed	Pending
1.	Letters from SEBI / Stock Exchange	0	1	1	0
2.	Non-receipt of dividend	0	0	0	0
3.	Non-receipt of shares	0	0	0	0
4.	Non-receipt of Annual Report	0	1	1	0
	<b>Total</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>0</b>

## Corporate Governance Report (Contd.)

### D. Corporate Social Responsibility (CSR) Committee

#### Composition

The Corporate Social Responsibility Committee of the Board comprises of three members namely Mr. Shamsher Singh Ahlawat, an Independent Director, as the Chairman, and Mr. Ajit Kumar Mittal and Mr. Manvinder Singh Walia, as other two members.

#### Terms of Reference

The terms of reference of the CSR Committee, inter-alia, includes:

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

#### Meetings and Attendance during the year

During the FY 2020-21, the Committee met two times. The dates of the meetings were January 15, 2021 and March 31, 2021. The attendance record of Committee members in respect of the meetings so held is depicted in the table given below:

Name of the Member	No. of meetings held during the tenure	No. of meetings attended
Mr. Shamsher Singh Ahlawat	2	2
Mr. Ajit Kumar Mittal	2	2
Mr. Manvinder Singh Walia	2	2

### E. Risk Management Committee

#### Composition

The Risk Management Committee comprises of five members namely Mr. Manvinder Singh Walia, an Executive Director, as the Chairman, Mr. Ajit Kumar Mittal, Mr. Praveen Kumar Tripathi, Mr. Shamsher Singh Ahlawat and Mr. Saurabh Garg, as members.

#### Terms of Reference

- Monitor and review the Risk Management Plan of the Company;
- Approve all functional policies of the Company;
- To ensure appropriate fraud control mechanism and cyber security in the system, while dealing with the customers etc.;
- Any other matter involving Risk to the asset / business of the Company

#### Meetings and Attendance during the year

During the FY 2020-21, the committee met once on July 11, 2020. The attendance record of Committee members in respect of the meeting so held is depicted in the table given below:

Name of the Member	No. of meetings held during the tenure	No. of meetings attended
Mr. Manvinder Singh Walia	1	1
Mr. Ajit Kumar Mittal	1	1
Mr. Praveen Kumar Tripathi	1	1
Mr. Shamsher Singh Ahlawat	1	1
Mr. Saurabh Garg	1	1

Apart from the above, the Board has also constituted Compensation Committee for administration of stock option scheme(s), Management Committee for operational matters, Issuance Committee for considering issuance of securities and Reorganization Committee for on-going Scheme and reorganization plans.

#### 4. GENERAL BODY MEETINGS

##### A. Location and time of last three Annual General Meetings (AGMs) and number of special resolutions passed thereat:

Year	Meeting	Location	Date	Time	No. of special resolutions passed
2017-18	11th AGM	Mapple Emerald, Rajokri, NH-8, New Delhi-110038	September 29, 2018	01:00 P.M.	2
2018-19	12th AGM	'The Pillazio Hotel', 292-296, Near City Center, Sector 29, South City, Gurugram-122001, Haryana	September 30, 2019	02:00 P.M.	4
2019-20	13th AGM	Through VC/ OAVM	November 13, 2020	11:00 A.M.	2

##### B. Special Resolutions passed during the financial year 2020-21 through Postal Ballot:

During the year 2020-21, no resolution was passed by the Company through Postal Ballot. No Special Resolution requiring Postal Ballot is being proposed on or before the ensuing AGM of the Company.

#### 5. MEANS OF COMMUNICATION

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

- Publication of Financials Results:** The quarterly / annual results of the Company are published in two newspapers viz. Financial Express and Jansatta or The Pioneer (English & Hindi).
- News, Release, etc.:** The Company has its own website: www.yaari.com and all vital information relating to the Company and its performance including financial results, press releases pertaining to important developments, performance updates and corporate/ investor presentations etc. is regularly posted on the website and are also uploaded on the designated portals of NSE and BSE, which are disseminated by the Exchanges for information of the public.
- Management Discussion and Analysis Report:** The same has been included in a separate section, which forms a part of this Annual Report.
- Investors' Relation:** The Company's website contains a separate dedicated section 'Investors' where general information is available for shareholders.

#### 6. GENERAL SHAREHOLDERS' INFORMATION

##### (A) Company Registration Details

The Company is registered in the State of Haryana, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L51101HR2007PLC077999.

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

The 14th AGM of the Company would be held on the day, date, time and venue as mentioned in the Notice convening the said AGM. The Company is conducting AGM through Video Conferencing /Other Audio Visual Mode pursuant to MCA Circulars dated May 5, 2020 and January 13, 2021 and there is no requirement of having a venue for the AGM.

##### (C) Financial year

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

##### (D) Date of Book Closure

The dates of Book Closure for the purpose of AGM are mentioned in the Notice convening the 14th AGM of the Company.

##### (E) Dividend Payment date

During the FY 2020-21, no dividend was declared by the Company.

##### (F) Listing on Stock Exchanges

The Company's Equity Shares are listed on the following stock exchanges:

##### BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

##### National Stock Exchange of India Limited (NSE)

"Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai-400 051

The listing fees for the financial year 2021-22, have been paid to BSE and NSE.

## Corporate Governance Report (Contd.)

### (G) Stock Code

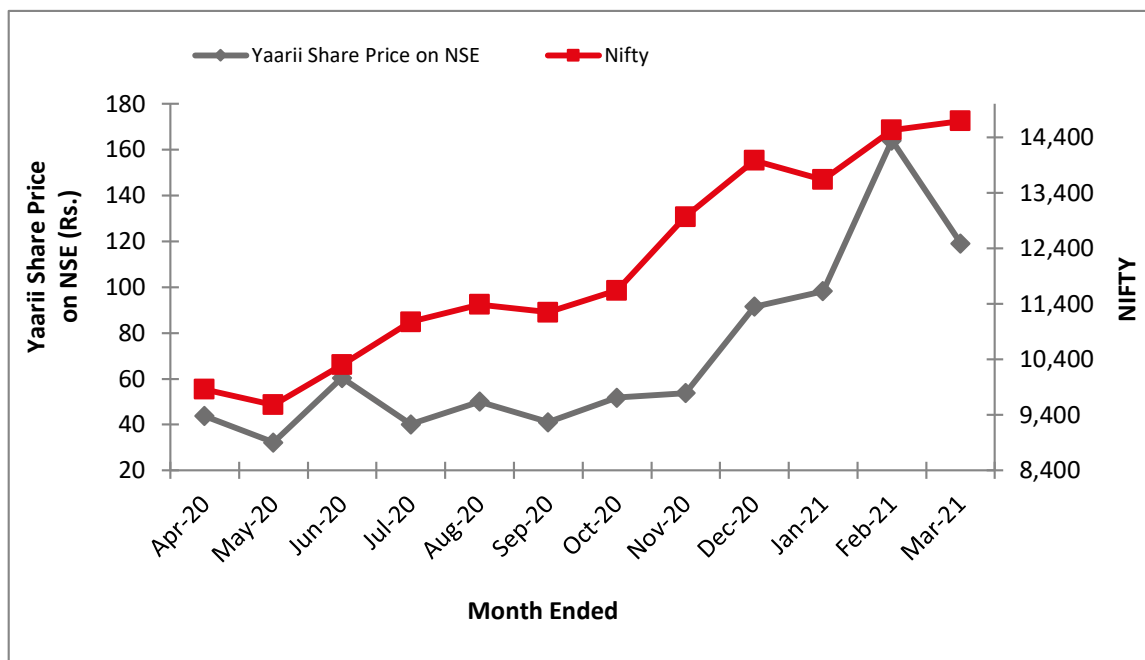
BSE Limited	-	533520
National Stock Exchange of India Limited	-	YAARII
ISIN for Dematerialization	-	INE126M01010

### (H) Market Price Data

The monthly high and low market prices of shares at the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year ended March 31, 2021 are as under:

Month	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2020	50.00	36.65	50.90	36.75
May 2020	43.00	31.00	43.50	31.10
June 2020	62.20	32.20	62.30	31.90
July 2020	62.20	39.05	62.40	39.60
August 2020	56.95	39.00	56.95	39.20
September 2020	50.60	37.80	50.60	37.70
October 2020	65.25	41.00	65.30	41.10
November 2020	57.60	50.10	58.70	50.00
December 2020	91.50	55.00	91.55	55.40
January 2021	119.75	93.60	120.00	93.60
February 2021	183.45	93.65	182.85	93.10
March 2021	178.65	119.05	178.40	118.75

### (I) Comparison of Company's share price with the broad-based indices viz. NSE Nifty & BSE Sensex.





#### (J) Registrar and Transfer Agents

M/s KFin Technologies Private Limited (formerly M/s. Karvy Fintech Private Limited) is the Registrar and Share Transfer Agents (RTA) of the Company for handling the share related matters, both in physical and the dematerialized mode.

The contact details are as under:

M/s. KFin Technologies Private Limited  
(Unit: Yaarii Digital Integrated Services Limited)  
Selenium Tower B, Plot No.31 & 32, Gachibowli,  
Financial District, Nanakramguda,  
Serilingampally Mandal, Hyderabad - 500 032  
Contact Person: Ms. C Shobha Anand, DGM, Corporate Registry  
Toll Free No. 1800 - 309 4001  
E-mail: einward.ris@kfintech.com

#### (K) Share Transfer System

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

#### (L) i) Distribution of equity shareholding as on March 31, 2021

Sl. No.	Shareholding Value of nominal (in Rs.)		No. of holders	% to total no. of holders	Value (in Rs.)	% to nominal Value
	From	To				
1.	1	5000	46,989	96.88	1,07,46,770	6.02
2.	5001	10000	608	1.25	45,31,246	2.54
3.	10001	20000	379	0.78	56,32,288	3.15
4.	20001	30000	159	0.33	39,98,242	2.24
5.	30001	40000	86	0.18	30,88,486	1.73
6.	40001	50000	60	0.12	27,48,732	1.54
7.	50001	100000	109	0.22	76,67,060	4.29
8.	100001	and above	114	0.24	14,02,38,314	78.50
<b>Total</b>			<b>48,504</b>	<b>100.00</b>	<b>17,86,51,138</b>	<b>100.00</b>

## Corporate Governance Report (Contd.)

### ii) Equity Shareholding pattern as on March 31, 2021

Sl. No.	Category	No. of Shares	% holding
1.	Promoters and Promoters Group	38,633,988	43.25
2.	Financial Institutions/ Banks/ Mutual Funds	105	0.00
3.	Foreign Portfolio Investors	12,610,268	14.12
4.	NBFCs Registered with RBI	87	0.00
5.	Bodies Corporate	7,565,962	8.47
6.	Indian Public	27,187,484	30.44
7.	NRIs	1,073,925	1.20
8.	Foreign Nationals	15,000	0.02
9.	Clearing Members	441,657	0.49
10.	Others (IEPF/EWT)	1,797,093	2.01
	<b>Total</b>	<b>89,325,569</b>	<b>100.00</b>

#### (M) Dematerialization of shares and liquidity

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

As on March 31, 2021, 99.98% Equity shares of the Company representing 89,310,149 out of a total of 8,93,25,569 Equity shares were held in dematerialized form and the balance 15,420 shares were held in physical form.

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

#### (N) Outstanding Convertible Instruments

As on March 31, 2021, an aggregate of 5,566,600 Employees Stock options were in force.

These options, upon exercise, are convertible into equal number of Equity Shares of the Company. As and when these options are exercised, the paid-up share capital of the Company shall stand increased accordingly.

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

During the FY 2020-21, the Company neither had any exposure to commodity price risks nor had any foreign exchange exposure by way of foreign currency borrowings. However, company has a policy to manage import procurements by continuous monitoring of foreign exchange market and hedging through a combination of forward contracts, principal only swaps, interest rate swaps and / or cross currency swaps, if required.

#### (P) Plant Locations – Not applicable

#### (Q) Address for Correspondence

##### a. Registered Office:

Plot No. 448-451, Udyog Vihar, Phase-V,  
Gurugram-122016, Haryana  
Email: helpdesk@indiabulls.com,  
Tel: 0124-6681199, Fax: 0124-6681111,  
Website: www.yaari.com

##### b. Corporate Office:

One International Center, Tower 1, Senapati Bapat Marg,  
Elphinstone Road, Mumbai – 400013  
Tel: 022-61899700, Fax: 022-61891421

#### (R) Profiles of the directors seeking appointment/re-appointment have been captured in the Notice convening the Fourteenth Annual General Meeting.

#### (S) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.

Not applicable

#### (T) Details of utilization of funds raised through preferential allotment or qualified institutions placement

During the Financial Year 2020-21, the Company had not raised any funds through preferential allotment or qualified institutions placement.



**(U) Fees paid to Statutory Auditors**

The total fees incurred by the Company and its subsidiaries on a consolidated basis, for services rendered by Statutory auditors and its affiliates entities, is given below:

Particulars	Amount (₹ in crores)
Statutory Audit Fees	0.25
Certification Fees	0.02
<b>Total</b>	<b>0.27</b>

**7. COMPLIANCE CERTIFICATE(S) FROM THE PRACTICING COMPANY SECRETARY**

Certificate(s) from a Practicing Company Secretary certifying: (a) the Company's compliance with the provisions of Corporate Governance as stipulated in Regulation 34(3) read with Schedule-V of the SEBI LODR; and (b) confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of the Companies by SEBI/Ministry of Corporate Affairs or any such statutory Authority are annexed to and forms part of this Report.

**8. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Particulars	Number
Number of complaints filed during the FY 2020-21	0
Number of complaints disposed during the FY 2020-21	0
Number of complaints pending as on end of the financial FY 2020-21	0

**9. OTHER DISCLOSURES****i) Subsidiary Companies**

The Company has formulated a Policy for determining material subsidiaries, pursuant to the provisions of the SEBI LODR which is available on the website of the Company, at web-link: <https://www.yaari.com/investor/pdf/Policy%20for%20Determining%20material%20subsidiary.pdf>. Each quarter, the Audit Committee reviews the performance and unaudited/audited financial statements of subsidiary companies. The minutes of the board meetings of the unlisted subsidiary companies of the Company and significant transactions and arrangements entered into by all the unlisted subsidiary companies are placed before the board on a quarterly basis. The Board is periodically apprised of the performance of key subsidiary companies, including material developments.

As on March 31, 2021, the Company had 13 subsidiaries. Indiabulls General Insurance Limited and Indiabulls Life Insurance Company Limited were material subsidiaries of the Company during the FY 2020-21.

**ii) Related Party Transactions**

During the year, no materially significant related party transaction was entered by the Company with its Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large. The Policy on materiality of Related Party Transactions and also on dealing with such transactions is available on the website of the Company, at web-link: <https://www.yaari.com/investor/pdf/Policy%20for%20Dealing%20with%20Related%20Party%20Transactions.pdf>

**iii) CEO / CFO Certification**

- The CEO and CFO have issued certificate pursuant to the Regulation 33(2)(a) of SEBI LODR, certifying that the financial statements do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.
- The CEO and CFO have issued certificate pursuant to the provisions of Regulation 17(8) read with Part-B of Schedule-II of the SEBI LODR certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

**iv) (a) Code of Conduct and Ethics**

The Company has laid down a Code of Conduct and Ethics (the "Code") for the Board Members and Senior Management personnel of the Company. The Code is available on the website of the Company: [www.yaari.com](http://www.yaari.com)

All Board Members and Senior Management personnel have affirmed compliance with the Code. A declaration signed by the CEO to this effect is enclosed at the end of this Report.

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

### (b) Code of Conduct for Prevention of Insider Trading

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

### v) Whistle Blower Policy

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company has implemented the Whistle Blower Policy ("the Policy"), to provide an avenue for employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. The Policy applies to all employees working for the Company and its subsidiaries. Pursuant to the Policy, the whistle blowers can raise concerns relating to matters such as breach of Company's Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, misappropriation of Company's funds / assets etc. A whistle-blowing or reporting mechanism, as set out in the Policy, invites all employees to act responsibly to uphold the reputation of the Company and its subsidiaries. The Policy aims to ensure that serious concerns are properly raised and addressed and are recognized as an enabling factor in administering good governance practices. The details of the Whistle Blower Policy are available on the website of the Company: [www.yaari.com](http://www.yaari.com) The Audit committee set by the Board, constitutes a vital component of the whistle blower mechanism and instances of financial misconduct, if any, are reported to the Audit committee. No employee is denied access to the Audit Committee.

### vi) Strictures and penalties

During the last three financial years, there has not been any instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence, no penalty has been imposed on the Company or no strictures have been passed against it, by SEBI or Exchanges or any other statutory authorities on any such matters.

### vii) Details of compliance with mandatory requirements and adoption of the discretionary requirements of SEBI LODR.

The Company has complied with all the mandatory requirements of the SEBI LODR in letter as well as in spirit. The details of these compliances have been given in the relevant sections of this Report. The status on compliance with the discretionary requirements is given later in this Report.

## 10. DISCRETIONARY REQUIREMENTS

### (A) Unmodified Opinion in Audit Report

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

### (B) Shareholders Rights

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

### (C) Reporting of Internal Auditor

The Internal Auditor of the Company reports to Audit Committee and the Board of Directors of the Company.

Except as set out above, the Company has not adopted the discretionary requirements as to any of the other matters recommended under Part E of Schedule II of Regulation 27(1) of SEBI LODR. The Board, at every meeting, elect any one of the directors present at the meeting, as Chairman.

## 11. UNCLAIMED SHARES LYING IN DEMAT SUSPENSE ACCOUNT

The Company was not required to transfer any shares in Demat Suspense Account. Accordingly, the disclosure required to be made in terms of Regulation 34(3) read with Schedule V of the SEBI LODR, in respect of shares in the demat suspense account or unclaimed suspense account, is not applicable to the company.

This Corporate Governance Report of the Company for the financial year ended 31st March, 2021 is in compliance with the requirements of Corporate Governance as prescribed under Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI LODR to the extent applicable to the Company. There is no non-compliance of any requirement of Corporate Governance Report, as required under SEBI LODR.

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

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

for Yaarii Digital Integrated Services Limited

Date: May 8, 2021  
Place: Gurugram

**Kubeir Khara**  
CEO  
DIN: 03498226

**CEO/CFO certification pursuant to regulation 17(8) read with Part-B of Schedule-II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Board of Directors  
Yaarii Digital Integrated Services Limited

As required by Regulation 17(8) read with Part-B of Schedule-II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm to the Board that:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee that:
  - (1) There were no significant changes in internal control over financial reporting during the year;
  - (2) There were no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) There were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: May 8, 2021  
Place: Gurugram

**Kubeir Khara**  
CEO

**Saurabh Garg**  
Chief Financial Officer

## CERTIFICATE FROM PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE

To,  
The Members of  
**Yaarii Digital Integrated Services Limited**  
**(Formerly Indiabulls Integrated Services Limited)**  
Plot No. 448-451, Udyog Vihar,  
Phase-V, Gurugram-122016, Haryana

We have examined the compliance of conditions of Corporate Governance by Yaarii Digital Integrated Services Limited ("the Company"), for the year ended March 31, 2021, as prescribed in Regulations 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

We state that the compliance of conditions of Corporate Governance is the responsibility of the Company's management and, our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the financial year ended March 31, 2021.

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

**For Neha S & Associates**  
Company Secretaries

**Neha Sharma**  
Proprietor

C.P. No. - 16522

Membership No.: A44741

UDIN: A044741C000832000

Place: New Delhi  
Date: 25 August, 2021

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**Yaarii Digital Integrated Services Limited**  
**(Formerly Indiabulls Integrated Services Limited)**  
Plot No. 448-451, Udyog Vihar,  
Phase-V, Gurugram-122016, Haryana

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Yaarii Digital Integrated Services Limited** having CIN **L51101HR2007PLC077999** and having registered office at Plot No. 448-451, Udyog Vihar, Phase-V, Gurugram-122016, Haryana (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs (MCA) or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in the Company *
1.	Mr. Kubeir Khera	03498226	01/01/2021
2.	Mr. Manvinder Singh Walia	07988213	08/12/2017
3.	Mr. Ajit Kumar Mittal	02698115	08/12/2017
4.	Mr. Praveen Kumar Tripathi	02167497	28/03/2019
5.	Mr. Gurruppa Gopalakrishna	06407040	08/12/2017
6.	Justice Gyan Sudha Misra (Retd.)	07577265	08/12/2017
7.	Mr. Shamsheer Singh Ahlawat	00017480	25/04/2011

\*the date of appointment is as per the MCA Portal.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Neha S & Associates**  
Company Secretaries

**Neha Sharma**  
Proprietor

C.P. No. - 16522

Membership No.: A44741

UDIN: A04471C000826016

Place: New Delhi  
Date: 24 August, 2021

# Independent Auditor's Report

To the Members of Yaarii Digital Integrated Services Limited (formerly Indiabulls Integrated Services Limited)

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying Standalone financial statements of Yaarii Digital Integrated Services Limited (formerly Indiabulls Integrated Services Limited) ("the Company"), which comprise the balance sheet as at 31 March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, its loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our audit report.

Key audit matters	How our audit addressed the key audit matter
<b>Impairment assessment of investments and loans made to its subsidiaries</b>	
<p>The Company's policies on the impairment assessment of the investments and loans are set out in Note 5.9 to the Standalone Financial Statements.</p> <p>The Company has investments amounting to ₹ 880.85 Crores (net of impairment) and has outstanding loans amounting to ₹ 1781.65 Crores to its subsidiaries as at 31 March 2021 as disclosed under the Note 7 and 8 to the standalone financial statements.</p> <p>Impairment assessment of these investments and loans is considered as a significant risk as there is a risk that recoverability of the investments and loans could not be established, and potential impairment charge might be required to be recorded in the standalone financial statements. The recoverability of these investments is inherently subjective due to reliance on either the net worth of investee or valuations of the financial assets or cash flow projections of financial assets in these investee companies.</p>	<p>Our procedures in relation to the impairment assessment of investments and loans included, but not limited to the following:</p> <ul style="list-style-type: none"><li>Assessed the appropriateness of the Company's accounting policy by comparing with applicable Ind AS;</li><li>We obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing;</li><li>Enquired of the management and understood the internal controls related to completeness of the list of loans and investment along with the process followed to recover/adjust these and assessed whether further provisioning is required;</li><li>Performed test of details:<ol style="list-style-type: none"><li>For all significant additions made during the year, underlying supporting documents were verified to ensure that the transaction has been accurately recorded in the standalone financial statement;</li><li>For all significant investments and loans outstanding as at 31 March 2021, confirmations were circulated and received. Further, all the significant reconciling items were tested;</li></ol></li></ul>

Key audit matters	How our audit addressed the key audit matter
<p>However, due to their materiality in the context of the Company's standalone financial statements as a whole and significant degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, this is considered to be the area to be of most significance to the audit and accordingly, has been considered as a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> <li>c. All material investments and significant loans as at 31 March 2021 were discussed on case to case basis with the management for their plan of recovery/adjustment;</li> <li>d. Compared the carrying value of material investments and significant loans to the net assets of the underlying entity, to identify whether the net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount; and</li> <li>e. Wherever the net assets were lower than the recoverable amount, for material amounts:               <ul style="list-style-type: none"> <li>i. We obtained and verified the management certified cash flow projections of financial assets and tested the underlying assumptions used by the management in arriving at those projections;</li> <li>ii. We challenged the managements on the underlying assumptions used for the cash flow projections, considering evidence available to support these assumptions and our understanding of the business;</li> <li>iii. We obtained and verified the valuation of financial assets; and</li> </ul> </li> </ul> <p>We assessed the appropriateness and adequacy of the disclosures made by the management for the impairment losses recognized in accordance with applicable accounting standards.</p>

### Information Other than the standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

### Management's Responsibility for the Standalone Financial Statements

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters 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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.



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

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

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

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

## Report on Other Legal and Regulatory Requirements

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 Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 standalone financial statements dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as at 31 March 2021– Refer Note 41 to the standalone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021, other than disclosed in the Financial Statement .
- (h) With respect to the matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company did not pay any remuneration to its Directors during the year.

For **Agarwal Prakash & Co.**  
Chartered Accountants  
Firm's Registration No.: 005975N

**Vikas Aggarwal**  
Partner  
Membership No. 097848  
UDIN: 21097848AAAADO5680

Place: Gurugram  
Date: 08 May 2021

# Annexure A

## to the Independent Auditor's Report

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31 March 2021, based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and intangible assets.
- (b) The property, plant and equipment and intangible assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the property, plant and equipment and intangible assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not hold any immovable property (in the nature of property, plant and equipment'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has granted interest free unsecured loans to companies covered in the register maintained under Section 189 of the Act, and with respect to the same:
  - (a) in our opinion, the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.
  - (b) the schedule of repayment of principal has been stipulated wherein the principal amounts are repayable on demand and since the repayment of such loans has not been demanded, in our opinion, repayment of the principal amount is regular.
  - (c) there is no overdue amount in respect of loans granted to such companies.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained to us, the Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products / services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax and goods and services tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in Crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1.56	Assessment Year 2012-13	High Court
Income Tax Act, 1961	Income Tax	0.03	Assessment Year 2013-14	Appeal before ITAT
Income Tax Act, 1961	Income Tax	0.49	Assessment Year 2014-15	CIT (A)

- (viii) In our opinion, the Company has not defaulted in repayment of loans or borrowings to any financial institution or debenture-holders during the year. Further, the Company has no loans or borrowings payable to a bank or government during the year.
- (ix) As explained to us, no money raised by way of initial public offer or further public offer (including debt instruments) during the year. The Company has not obtained any term loans during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) In our opinion, the provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the Company as the Company does not pay/provide for any managerial remuneration. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.

- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the Company has not any made preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Agarwal Prakash & Co.**  
Chartered Accountants  
Firm's Registration No.: 005975N

**Vikas Aggarwal**  
Partner  
Membership No. 097848  
UDIN: 21097848AAAADO5680

Place: Gurugram  
Date: 08 May 2021

# Annexure B

## to the Independent Auditor's Report

With reference to the Annexure B referred to in the Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31 March 2021 of even date.

### **Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls with reference to standalone financial statements of Indiabulls Integrated Services Limited ('the Company') as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to 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 with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements 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 control system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone 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 with reference to standalone financial statements.

### **Meaning of Internal Financial Controls with reference to Standalone Financial Statements**

A Company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2021, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Agarwal Prakash & Co.**  
Chartered Accountants  
Firm's Registration No.: 005975N

**Vikas Aggarwal**  
Partner  
Membership No. 097848  
UDIN: 21097848AAAADO5680

Place: Gurugram  
Date: 08 May 2021

# Balance Sheet

as at 31 March 2021

All amount in ₹ crores, unless otherwise stated

	Note	31 March 2021	31 March 2020
<b>I ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	6 A	1.01	1.03
(b) Capital work-in-progress		0.62	-
(c) Right to use asset	6 C	-	2.80
(d) Other intangible assets	6 B	0.54	0.95
(e) Financial assets			
Investments	7 A	676.66	681.67
Loans	8 A	0.05	0.12
(f) Deferred tax assets, net	9	-	-
(g) Non-current tax assets, net	10	0.20	0.56
(h) Other non-current assets		-	-
		<b>679.08</b>	<b>687.13</b>
<b>Current assets</b>			
(a) Inventories	11	0.30	0.38
(b) Financial Assets			
Investments	7 B	220.40	223.22
Trade receivables	12	0.67	0.72
Cash and cash equivalents	13	2.20	0.72
Loans	8 B	1,781.90	945.35
(c) Other current assets	14	2.78	2.60
		<b>2,008.25</b>	<b>1,172.99</b>
<b>Total of Assets</b>		<b>2,687.33</b>	<b>1,860.12</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	15	17.51	17.87
(b) Other equity	16	1,491.62	1,600.43
		<b>1,509.13</b>	<b>1,618.30</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
Lease Liability	17 A	-	2.31
(b) Provisions	18 A	0.59	0.30
		<b>0.59</b>	<b>2.61</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
Borrowings	19	728.65	220.97
Lease Liability	17 B	-	0.50
Trade payables	20		
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
Other financial liabilities	21	445.43	15.63
(b) Other current liabilities	22	3.52	1.95
(c) Provisions	18 B	0.01	0.01
(d) Current tax liabilities, net	23	-	0.15
		<b>1,177.61</b>	<b>239.21</b>
<b>Total of Equity and Liabilities</b>		<b>2,687.33</b>	<b>1,860.12</b>
<b>Summary of significant accounting policies</b>	5		

The accompanying notes form an integral part of the financial statements

This is the balance sheet referred to in our report of even date.

**For Agarwal Prakash & Co.**

Chartered Accountants

Firm's Registration Number.: 005975N

**Vikas Aggarwal**

Partner

Membership Number: 097848

Place : Gurugram

Date : 08 May 2021

**For and on behalf of the Board of Directors**

**Kubeir Khara**

Executive Director & CEO

[DIN:03498226]

**Priya Jain**

Company Secretary

**Ajit Kumar Mittal**

Director

[DIN:02698115]

**Saurabh Garg**

Chief Financial Officer

# Statement of profit and loss

## for the year ended 31 March 2021



All amount in ₹ crores, unless otherwise stated

	Note	Year ended	
		31 March 2021	31 March 2020
<b>Revenue</b>			
Revenue from operations	24	0.10	0.06
Other income	25	4.74	8.54
<b>Total Revenue</b>		<b>4.84</b>	<b>8.60</b>
<b>Expenses</b>			
Cost of revenue	26		
Cost of materials consumed		-	-
Changes in inventories of finished goods		0.08	-
Employee benefits expense	27	4.16	6.03
Finance costs	28	85.42	18.39
Depreciation and amortisation expense	6	1.00	1.06
Other expenses	29	2.27	2.16
<b>Total Expenses</b>		<b>92.93</b>	<b>27.64</b>
<b>Loss before tax</b>		<b>(88.09)</b>	<b>(19.04)</b>
<b>Tax expense</b>	30		
Current tax (including earlier years)		-	1.60
Less: minimum alternate to credit entitlement		-	0.38
Deferred tax (credit)/ charge		-	1.43
<b>Loss after tax</b>		<b>(88.09)</b>	<b>(22.45)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Re-measurement (loss)/gain on defined benefits plans		(0.19)	0.01
<b>Total other comprehensive income net of tax</b>		<b>(0.19)</b>	<b>0.01</b>
<b>Total Comprehensive Income for the year</b>		<b>(88.28)</b>	<b>(22.44)</b>
<b>Earnings per equity share</b>	31		
Basic (₹)		(9.86)	(2.51)
Diluted (₹)		(9.86)	(2.51)
<b>Summary of significant accounting policies</b>	5		
The accompanying notes form an integral part of the financial statements			

This is the Statement of profit and loss referred to in our report of even date.

### For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number.: 005975N

### Vikas Aggarwal

Partner

Membership Number: 097848

Place : Gurugram

Date : 08 May 2021

### For and on behalf of the Board of Directors

### Kubeir Khara

Executive Director & CEO

[DIN:03498226]

### Priya Jain

Company Secretary

### Ajit Kumar Mittal

Director

[DIN:02698115]

### Saurabh Garg

Chief Financial Officer

# Statement of Cash Flows

## for the year ended 31 March 2021

All amount in ₹ crores, unless otherwise stated

	Year ended	
	31 March 2021	31 March 2020
<b>A. Cash flow from operating activities:</b>		
Loss before tax	(88.09)	(19.04)
<b>Adjustments for :</b>		
Depreciation and amortisation expense	1.00	1.06
Interest income	(4.35)	(6.77)
Dividend income	(0.00)	(0.18)
Interest expense	85.39	17.01
Profit on sale of Investments	(0.22)	(0.45)
Provision for employee benefits	0.11	0.11
Loss on sale /written off of property, plant and equipment	-	0.01
Balances written back	(0.05)	(0.58)
Fair valuation of financial assets	0.47	(0.56)
Derecognition of lease liability	(0.08)	-
Share based payment expense	2.12	3.62
<b>Operating loss before working capital changes and other adjustments</b>	<b>(3.70)</b>	<b>(5.77)</b>
<b>Working capital changes and other adjustments:</b>		
Trade receivables	0.05	(0.01)
Loans and advances	0.09	(0.18)
Other financial assets	-	0.14
Other assets	(0.18)	(0.16)
Inventories	0.08	-
Trade payables	-	(2.56)
Other financial liabilities	444.55	0.04
Other current liabilities	1.61	1.03
<b>Cash generated from / (used in) operating activities</b>	<b>442.50</b>	<b>(7.47)</b>
Income tax (paid) / refund received, net	0.20	(7.17)
<b>Net cash generated from / (used in) operating activities</b>	<b>442.70</b>	<b>(14.64)</b>
<b>B. Cash flow from investing activities:</b>		
Purchase of property, plant and equipment and other intangible assets	(1.04)	(0.55)
Investment in equity shares of subsidiaries	-	(149.00)
Sale/ (Investment) in securities, net	2.57	431.37
Inter-corporate loans given/ received back, net	(836.56)	(492.50)
Interest received	4.36	6.77
Dividend income received	0.00	0.18
<b>Net cash used in investing activities</b>	<b>(830.67)</b>	<b>(203.73)</b>



# Statement of Cash Flows

for the year ended 31 March 2021 (Contd...)



All amount in ₹ crores, unless otherwise stated

	Year ended	
	31 March 2021	31 March 2020
<b>C. Cash flow from financing activities:</b>		
<b>(Refer note-44)</b>		
Payment of lease liabilities	(0.04)	(0.35)
Acquisition of Treasury shares	(17.99)	-
Inter-corporate borrowings taken	3,980.14	263.44
Inter-corporate borrowings repaid	(3,472.46)	(42.47)
Interest paid on borrowings	(100.15)	(1.86)
Dividends paid including corporate dividend tax	(0.05)	-
<b>Net cash generated from financing activities</b>	<b>389.45</b>	<b>218.76</b>
<b>D. Increase/ (decrease) in cash and cash equivalents, net (A+B+C)</b>	<b>1.48</b>	<b>0.39</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>0.72</b>	<b>0.33</b>
<b>F. Cash and cash equivalents at the end of the year (D+E)</b>	<b>2.20</b>	<b>0.72</b>
<b>G. Reconciliation of cash and cash equivalents as per cash flow statement</b>		
Cash and cash equivalents includes		
Cash on hand	-	0.00
Balances with banks		
In current accounts	2.20	0.67
In unclaimed dividend account	-	0.05
	<b>2.20</b>	<b>0.72</b>

- a) The accompanying notes form an integral part of the financial statements.
- b) Ind AS-7 allows entities to report cash flow from operating activities using either the direct or indirect method, however listing regulations issued by SEBI (Securities Exchange Board of India) requires the listed companies to present cash flow only under indirect method. The Company has presented the above cash flow statement by using the indirect method.

This is the statement of cash flows referred to in our report of even date.

**For Agarwal Prakash & Co.**

Chartered Accountants

Firm's Registration Number.: 005975N

**Vikas Aggarwal**

Partner

Membership Number: 097848

Place : Gurugram

Date : 08 May 2021

**For and on behalf of the Board of Directors**

**Kubeir Khara**

Executive Director & CEO

[DIN:03498226]

**Priya Jain**

Company Secretary

**Ajit Kumar Mittal**

Director

[DIN:02698115]

**Saurabh Garg**

Chief Financial Officer

# Statement of Changes in Equity

## as at 31 March 2021

### (A) Equity share capital\*

31 March 2021

All amount in ₹ crores, unless otherwise stated

Particulars	Opening balance as at 01 April 2019	Changes during the year	Balance as at 31 March 2020	Changes during the year	Balance as at 31 March 2021
Equity share capital	17.87	-	17.87	(0.36)	17.51

### (B) Other equity\*\*

All amount in ₹ crores, unless otherwise stated

Particulars	Reserves and surplus					Other Comprehensive Income	Share warrant Money	Total
	General reserve	Capital reserve	Deferred employee compensation reserve	Securities Premium	Retained earnings			
Balance as at 01 April 2019	501.50	9.42	6.71	980.28	77.13	-	44.22	1,619.26
Profit/(loss) for the year	-	-	-	-	(22.45)	-	-	(22.45)
Other comprehensive income:								
Re-measurement of defined benefit plans ( net of tax)	-	-	-	-	0.01	-	-	0.01
Share based payment expense	-	-	3.62	-	-	-	-	3.62
Forfeiture of Share Warrant Money	-	44.22	-	-	-	-	(44.22)	-
Balance as at 31 March 2020	501.50	53.64	10.33	980.28	54.69	-	-	1,600.43
Profit/(loss) for the year	-	-	-	-	(88.09)	-	-	(88.09)
Other comprehensive income:								
Re-measurement of defined benefit plans ( net of tax)	-	-	-	-	(0.19)	-	-	(0.19)
IND AS effect on investment in Inter-Corporate deposits	-	-	-	-	(5.02)	-	-	(5.02)
Share based payment expense	-	-	2.12	-	-	-	-	2.12
Acquisition of own shares	-	-	-	(17.64)	-	-	-	(17.64)
Balance as at 31 March 2021	501.50	53.64	12.45	962.64	(38.61)	-	-	1,491.62

\*Refer Note-15

\*\*Refer Note-16

The accompanying notes are integral part of the financial statements

This is the statement of changes in equity referred to in our report of even date.

#### For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number.: 005975N

#### Vikas Aggarwal

Partner

Membership Number: 097848

Place : Gurugram

Date : 08 May 2021

#### For and on behalf of the Board of Directors

#### Kubeir Khara

Executive Director & CEO

[DIN:03498226]

#### Priya Jain

Company Secretary

#### Ajit Kumar Mittal

Director

[DIN:02698115]

#### Saurabh Garg

Chief Financial Officer

## 1. Nature of principal activities

Yaarii Digital Integrated Services Limited (formerly Indiabulls Integrated Services Limited) “the Company”, was incorporated on 24 July 2007. The Company’s registered office stands changed from M-62 and 63, First Floor, Connaught Place, New Delhi – 110001, India to Plot No. 448-451 Udyog Vihar, Phase-V Gurugram - 122016, Haryana, India with effect from 15 January 2019.

Pursuant to the Company’s shareholders’ approval, at their AGM held on November 13, 2020, in order to create unique digital identity, through its digital platform “Yaarii”, of which the Company has proprietary rights, and to charter right direction for its continuous focus around promoting digital financial and other solutions and given that Yaarii app, as a digital distribution platform, finds resonance as on date with lacs of customers across a range of financial products and to leverage on its brand identity to grow to next frontier, the name of the Company stood changed from ‘Indiabulls Integrated Services Limited’ to ‘Yaarii Digital Integrated Services Limited’ with effect from November 25, 2020, upon receipt of fresh Certificate of Incorporation dated November 25, 2020, issued by the Registrar of Companies NCT of Delhi and Haryana.

## 2. General information and statement of compliance with Ind AS

These 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’)), as amended and other related provisions of the Act.

The Company has uniformly applied the accounting policies during the periods presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements for the year ended 31 March 2021 were authorized and approved for issue by the Board of Directors on 08 May 2021. The revision to financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of Companies Act, 2013.

## 3. Basis of preparation

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Certain financial assets and financial liabilities are measured at fair value and are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable. Further, share based payments are also measured at fair value of the stock options.

## 4. Estimation of uncertainties relating to the global health pandemic from covid-19 (covid-19):

The Company has considered the possible effect that may result from the pandemic relating to COVID-19, The Company has made a detailed assessment of its liquidity position and of the recoverability and carrying values of its assets as at balance sheet date, however, the actual impact of Covid-19 pandemic on the Company’s results remains uncertain and dependant on spread of Covid-19 and steps taken by the Government to mitigate the economic impact and may differ from that estimated as at the date of approval of these financial statements.

## 5. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements.

### 5.1 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Companies Act 2013. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

### 5.2 Revenue recognition

Revenue is recognised when control is transferred and is accounted net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of the revenue transaction as set out below.

#### *Interest income*

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Interest on delayed receipts, cancellation/forfeiture income and transfer fees from customers are recognized on accrual basis except in cases where ultimate collection is considered doubtful.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

### *Dividend income*

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

### *Income from sale of Investment*

Profit on sale of investment is recognised on the date of its sale and is computed as excess of sale proceeds over its carrying amount as at the date of sale.

### **5.3 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

### **5.4 Property, plant and equipment (PPE)**

#### *Recognition and initial measurement*

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

#### *Subsequent measurement (depreciation and useful lives)*

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013.

Asset class	Useful life
Building	1-3 years
Plant and equipment	12 years
Office equipment	5 years
Computers	3 – 6 years
Furniture and fixtures	10 years
Vehicles	8 years

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year.

#### *De-recognition*

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

### **5.5 Intangible assets**

#### *Recognition and initial measurement*

Intangible assets (softwares) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

#### *Subsequent measurement (amortisation)*

The cost of capitalized software is amortized over a period four years from the date of its acquisition.

## 5.6 Foreign currency

### *Functional and presentation currency*

The financial statements are presented in Indian Rupee ('INR' or '₹') which is also the functional and presentation currency of the Company.

### *Transactions and balances*

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

## 5.7 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

## 5.8 Financial instruments

### **Financial assets**

#### *Recognition and initial measurement*

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

#### *Subsequent measurement*

i. **Debt instruments at amortised cost** – A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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 amortised cost using the effective interest rate (EIR) method.

ii. **Equity instruments** – All equity investments in scope of 'Ind AS 109 Financial Instruments' ('Ind AS 109') are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).

iii. **Mutual funds** – All mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

#### *De-recognition of financial assets*

A financial asset is primarily de-recognised 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.

### **Financial liabilities**

#### *Recognition and initial measurement – amortised cost*

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

### *Subsequent measurement – Amortised cost*

Subsequent to initial measurement, all financial liabilities are measured at amortised cost using the effective interest method.

### *Recognition and initial and subsequent measurement – fair value*

A financial liability is classified as fair value through profit and loss ('FVTPL') if it is designated as such upon initial recognition. Financial liabilities at FVTPL are measured (initial and subsequent) at fair value and net gains/losses, including any interest expense are recognised in statement of profit and loss.

### *De-recognition of financial liabilities*

A financial liability is de-recognised 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

### **Compound financial instrument**

Optionally convertible debentures are separated into liability and equity components based on the terms of the contract. On issuance of the said instrument, the liability component is arrived by discounting the gross sum at a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost until it is extinguished on conversion or redemption. The remainder of the proceeds is recognised as equity component of compound financial instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured. Such instruments are classified as current financial liability if the conversion option vests with the holder.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **5.9 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 for financial assets. The Company factors historical trends and forward looking information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

### *Trade receivables*

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

### *Other financial assets*

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

## **5.10 Inventories**

Land other than that transferred to real estate projects under development is valued at lower of cost or net realizable value.

Real estate properties (developed and under development) includes cost of land under development, internal and external development costs, construction costs, and development/construction materials, borrowing costs and related overhead costs and is valued at lower of cost or net realizable value.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale.

## **5.11 Income taxes**

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside statement of profit and loss is recognised in the statement in which the relevant item is recognised.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax losses are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity).

#### 5.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

#### 5.13 Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

#### 5.14 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### 5.15 Employee benefits

##### *Defined contribution plan*

The Company's contribution to provident fund and employee state insurance schemes is charged to the statement of profit and loss or inventorized as a part of real estate project under development, as the case may be. The Company's contributions towards Provident Fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan.

##### *Defined benefit plan*

The Company has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognized in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gain/losses resulting from re-measurements of the liability are included in other comprehensive income.

##### *Other long term employee benefits*

The Company also provides benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after



## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

### *Short-term employee benefits*

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

### **5.16 Share based payments**

Share based compensation benefits are provided to employees via Employee Stock Option Plans (ESOPs). The employee benefit expense is measured using the fair value of the employee stock options and is recognized over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees will be allotted equity shares of the Company.

### **5.17 Right of use assets and lease liabilities**

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

### *Classification of leases*

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

### *Recognition and initial measurement*

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

### *Subsequent measurement*

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

### **5.18 Significant management judgement in applying accounting policies and estimation uncertainty**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

### *Significant management judgements*

**Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

**Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Recoverability of advances/receivables** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments



(where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

**Provisions** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However the actual future outcome may be different from this judgement.

*Significant estimates*

**Revenue and inventories** – Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which further require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available contractual and historical information. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

**Useful lives of depreciable/amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

**Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note - 6A

#### Property, plant and equipment

Particulars	Plant & Machinery	Office Equipment	Computers	Furniture and Fixtures	Vehicles	Total	Capital Work-in-progress
<b>Gross carrying amount</b>							
Balance as at 1 April 2019	0.03	0.01	0.57	0.01	0.50	1.12	-
Additions	-	-	0.55	-	-	0.55	-
Disposals/assets written off	(0.03)	-	-	(0.01)	-	(0.04)	-
<b>Balance as at 31 March 2020</b>	-	<b>0.01</b>	<b>1.12</b>	-	<b>0.50</b>	<b>1.63</b>	-
Additions	-	0.08	0.33	-	-	0.41	0.62
Disposals/assets written off	-	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	-	<b>0.09</b>	<b>1.45</b>	-	<b>0.50</b>	<b>2.04</b>	<b>0.62</b>
<b>Accumulated depreciation</b>							
Balance as at 1 April 2019	0.02	0.01	0.08	0.01	0.18	0.30	-
Charge for the year	0.00	0.00	0.27	0.00	0.06	0.33	-
Adjustments for disposals	(0.02)	-	-	(0.01)	-	(0.03)	-
<b>Balance as at 31 March 2020</b>	-	<b>0.01</b>	<b>0.35</b>	-	<b>0.24</b>	<b>0.60</b>	-
Charge for the year	-	0.00	0.38	-	0.05	0.43	-
Adjustments for disposals	-	-	-	-	0.00	0.00	-
<b>Balance as at 31 March 2021</b>	-	<b>0.01</b>	<b>0.73</b>	-	<b>0.29</b>	<b>1.03</b>	-
<b>Net carrying value as at 31 March 2020</b>	-	-	<b>0.77</b>	-	<b>0.26</b>	<b>1.03</b>	-
<b>Net carrying value as at 31 March 2021</b>	-	<b>0.08</b>	<b>0.72</b>	-	<b>0.21</b>	<b>1.01</b>	<b>0.62</b>

- (i) There is no restriction on title of the property, plant and equipment. None of the property, plant and equipment has been pledged as security.
- (ii) There are no contractual commitments for the acquisition of property, plant and equipment.

All amount in ₹ crores, unless otherwise stated

**6B Other intangible assets**

	Software	Total
<b>Gross carrying amount</b>		
Balance as at 01 April 2019	1.65	1.65
Additions	-	-
Disposals/assets written off	-	-
<b>Balance as at 31 March 2020</b>	<b>1.65</b>	<b>1.65</b>
Additions	-	-
Disposals/assets written off	-	-
<b>Balance as at 31 March 2021</b>	<b>1.65</b>	<b>1.65</b>
<b>Accumulated depreciation</b>		
Balance as at 01 April 2019	0.29	0.29
Charge for the year	0.41	0.41
Adjustments for disposals	-	-
<b>Balance as at 31 March 2020</b>	<b>0.70</b>	<b>0.70</b>
Charge for the year	0.41	0.41
Adjustments for disposals	-	-
<b>Balance as at 31 March 2021</b>	<b>1.11</b>	<b>1.11</b>
<b>Net carrying value as at 31 March 2020</b>	<b>0.95</b>	<b>0.95</b>
<b>Net carrying value as at 31 March 2021</b>	<b>0.54</b>	<b>0.54</b>

(i) Contractual obligations

There are no contractual commitments for the acquisition of property, plant and equipment.

**6C Right to use Asset**

	Office Premises	Total
<b>Gross carrying amount</b>		
Balance as at 01 April 2019	-	-
Additions	3.12	3.12
Adjustments for lease termination	-	-
<b>Balance as at 31 March 2020</b>	<b>3.12</b>	<b>3.12</b>
Additions	-	-
Adjustments for lease termination	(2.64)	(2.64)
<b>Balance as at 31 March 2021</b>	<b>0.48</b>	<b>0.48</b>
<b>Accumulated depreciation</b>		
Balance as at 01 April 2019	-	-
Charge for the year	0.32	0.32
Adjustments for disposals	-	-
<b>Balance as at 31 March 2020</b>	<b>0.32</b>	<b>0.32</b>
Charge for the year	0.16	0.16
Adjustments for disposals	-	-
<b>Balance as at 31 March 2021</b>	<b>0.48</b>	<b>0.48</b>
<b>Net carrying value as at 31 March 2020</b>	<b>2.80</b>	<b>2.80</b>
<b>Net carrying value as at 31 March 2021</b>	<b>-</b>	<b>-</b>

(i) Contractual obligations

There are no contractual commitments for the acquisition of right to use asset.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note - 7

	31 March 2021		31 March 2020	
	Number	(₹ in crores)	Number	(₹ in crores)
<b>A Investments - non-current*</b>				
<b>(i) Investment in equity shares</b>				
<b>(a) Subsidiaries (Fully paid up)-Unquoted**</b>				
Lucina Infrastructure Limited	8,550,000	10.83	8,550,000	10.83
Sentia Properties Limited	50,000	37.03	50,000	37.03
Albasta Wholesale Services Limited	100,050,000	100.07	100,050,000	100.07
Mahabala Infracon Private Limited	3,050,000	3.05	3,050,000	3.05
Ashva Stud and Agricultural Farms Limited	50,000	0.05	50,000	0.05
Airmid Aviation Services Limited***	-	-	-	5.02
Indiabulls General Insurance Limited	100,099,998	150.00	100,099,998	150.00
Indiabulls Life Insurance Company Limited	150,000,000	310.00	150,000,000	310.00
Indiabulls Enterprises Limited	100,000	0.10	100,000	0.10
		<b>611.13</b>		<b>616.15</b>
<p>During the year ended 31 March 2020, the Company has set up an employees welfare trust titled "Surya Employee Welfare Trust (formerly known as Indiabulls Integrated Services Employee Welfare Trust)" (the "Trust") to efficiently manage the current as well as any future share based employees benefits schemes.</p> <p>*** During the year ended 31 March 2021, investment in one of the step-down subsidiary, viz. Airmid Aviation Services Limited has been impaired as per the testing procedure applied according to Ind AS 36 "Impairment of Assets".</p>				
<b>(b) Subsidiaries (Fully paid up) - Quoted**</b>				
SORIL Infra Resources Limited	20,383,310	65.52	20,383,310	65.52
		<b>65.52</b>		<b>65.52</b>
<b>Total (a + b)</b>		<b>676.66</b>		<b>681.67</b>
<b>Aggregate book value of unquoted investments</b>		<b>611.13</b>		<b>616.15</b>
<b>Aggregate book value of quoted investments</b>		<b>65.52</b>		<b>65.52</b>
<b>Aggregate market value of quoted investments</b>		<b>281.29</b>		<b>87.24</b>

\* Investments in equity instruments of subsidiaries are stated at cost as per IND AS 27, separate financial statements.

\*\* Face value of ₹10/- each unless otherwise stated

All amount in ₹ crores, unless otherwise stated

	31 March 2021		31 March 2020	
	Number	(₹ in crores)	Number	(₹ in crores)
<b>B Investments - current</b>				
<b>(i) Investment in preference shares</b>				
<b>Subsidiaries (fully paid up) - Unquoted**</b>				
Albasta Wholesale Services Limited	30,000,000	30.00	30,000,000	30.00
SORIL Infra Resources Limited	19,795,000	174.20	19,795,000	174.20
		<b>204.20</b>		<b>204.20</b>
<b>(ii) Investment in mutual funds (quoted)</b>				
Indiabulls Liquid Fund - Direct Plan - Growth [Nil (31-March-2020: 22,670.246) units, NAV: NA (31-March-2020: ₹1,036.618)]		-		2.35
		-		<b>2.35</b>
<b>(iii) Investment in Non-Convertible Debentures - Quoted</b>				
Dhani Loans and Services Limited (Formerly Indiabulls Consumer Finance Limited) [1,60,000 units (31 March 2020: 1,60,000 units), NAV: ₹1,005.511(31 March 2020: ₹1,035.001 )]		16.09		16.56
Add: Interest Accrued on debentures		0.11		0.11
		<b>16.20</b>		<b>16.67</b>
<b>Total of current investments</b>		<b>220.40</b>		<b>223.22</b>
<b>Aggregate book value of unquoted investments</b>		<b>204.20</b>		<b>204.20</b>
<b>Aggregate market value of quoted investments</b>		<b>16.09</b>		<b>18.91</b>
<b>Aggregate book value of quoted investments</b>		<b>16.00</b>		<b>18.35</b>

\*\* Face value of ₹10/- each unless otherwise stated

## Note - 8

	31 March 2021	31 March 2020
<b>A Loans - Non-Current</b>		
Security deposits*		
Considered good - Unsecured	0.05	0.12
	<b>0.05</b>	<b>0.12</b>

\*The Company does not have any loans which are either credit impaired or where there is significant increase in credit risk.

<b>B Loans - Current</b>		
Security deposits		
Considered good - Unsecured	0.25	0.27
Inter-corporate loans to related parties (refer note-34)		
Considered doubtful - Unsecured	1,781.65	945.08
	<b>1,781.90</b>	<b>945.35</b>

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note - 9

Deferred tax assets, net	31 March 2021	31 March 2020
Deferred tax asset arising on account of :		
Share based payment	-	-
Minimum alternative tax credit entitlement	-	-

Caption wise movement in deferred tax assets as follows:

Particulars	01 April 2019	Recognised in other comprehensive income	Recognised in profit and loss	31 March 2020
Deferred tax asset arising on account of :				
Share based payment	1.43	-	(1.43)	-
<b>Sub-Total</b>	<b>1.43</b>	<b>-</b>	<b>(1.43)</b>	<b>-</b>
Minimum alternative tax credit entitlement	0.38	-	(0.38)	-
<b>Total</b>	<b>1.81</b>	<b>-</b>	<b>(1.81)</b>	<b>-</b>

Particulars	31 March 2020	Recognised in other comprehensive income	Recognised in profit and loss	31 March 2021
Deferred tax asset arising on account of :				
Share based payment	-	-	-	-
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Deferred tax assets, net	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The Company has restricted the recognition of deferred tax asset on unabsorbed losses ₹102.29 crores (31 March 2020: ₹14.20 crores), depreciation and amortisation & provision of employee benefits to the extent there is convincing evidence which demonstrate probability of realisation of deferred tax asset in near future.

### Note - 10

	31 March 2021	31 March 2020
<b>Non-current tax assets (net)</b>		
Advance income tax, including tax deducted at source	0.20	0.56
	<b>0.20</b>	<b>0.56</b>

### Note - 11

	31 March 2021	31 March 2020
<b>Inventories</b>		
<b>Real estate properties - developed (at cost)</b>		
Cost of developed properties	0.30	0.38
	<b>0.30</b>	<b>0.38</b>

All amount in ₹ crores, unless otherwise stated

**Note - 12**

Trade receivables*	31 March 2021	31 March 2020
Considered good - Unsecured	0.67	0.72
	<b>0.67</b>	<b>0.72</b>

\*The Company does not have any trade receivables which are either credit impaired or where there is significant increase in credit risk.

**Note - 13**

	31 March 2021	31 March 2020
<b>Cash and cash equivalents</b>		
Cash on hand	-	0.00
Balances with banks		
In current accounts	2.20	0.67
In unclaimed dividend account*	-	0.05
	<b>2.20</b>	<b>0.72</b>

\*Unclaimed dividend account pertains to dividend not claimed by the equity shareholders and the Company does not have any right on the said money.

Further, during the financial year ended 31 March 2021, The Company transferred the amount standing in credit of Unpaid Dividend Account to the Investor Education and Protection Fund as per Statutory Regulations.

**Note - 14**

Other current assets	31 March 2021	31 March 2020
<b>Unsecured, considered good</b>		
Advance to staff	0.01	0.02
Advance to suppliers/service providers	0.05	0.06
Prepaid expenses	-	0.01
Balances with statutory and government authorities	2.72	2.51
	<b>2.78</b>	<b>2.60</b>

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note - 15

	31 March 2021		31 March 2020	
	Number	(₹ in crores)	Number	(₹ in crores)
<b>A Equity share capital</b>				
<b>i Authorised</b>				
Equity shares of face value of ₹2 each	400,000,000	80.00	400,000,000	80.00
	<b>400,000,000</b>	<b>80.00</b>	<b>400,000,000</b>	<b>80.00</b>
<b>ii Issued, subscribed and fully paid up</b>				
Equity share capital of face value of ₹2 each fully paid up	89,325,569	17.87	89,325,569	17.87
Less: Purchase of Treasury shares for grant/exercise of SAR in Trust	1,754,327	0.36	-	-
	<b>87,571,242</b>	<b>17.51</b>	<b>89,325,569</b>	<b>17.87</b>
<b>iii Reconciliation of number and amount of equity shares outstanding at the beginning and at the end of the year</b>				
<b>Equity shares</b>				
Balance at the beginning of the year	89,325,569	17.87	89,325,569	17.87
Add: Issued during the year	-	-	-	-
Less: Redeemed during the year	-	-	-	-
Less: Purchase of Treasury shares for grant/exercise of SAR in Trust	1,754,327	0.36	-	-
<b>Balance at the end of the year</b>	<b>87,571,242</b>	<b>17.51</b>	<b>89,325,569</b>	<b>17.87</b>

**iv** During the quarter ended 31 March 2021, the Company, through its established trust "Surya Employee Welfare Trust" (formerly known as Indiabulls Integrated Employee Welfare Trust) ("Surya-EWT"); had in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 purchased its 17,54,327 Equity shares from the open market, for the implementation and administration of its employees benefit schemes. The face value of these shares have been deducted from the paid-up share capital of the Company, and the excess of amount paid over face value for their acquisition have been adjusted in the other equity. Out of the acquired shares, 17,54,327 shares have been appropriated towards grant of Share Appreciations Rights (SARs) on 12 February 2021 to the employees of the Company and its subsidiaries, as permitted.

**v** The Company does not have any shares issued for consideration other than cash during the immediately preceding five years. Company did not buy back any shares during immediately preceding five years.

**vi Rights, preferences and restrictions attached to equity shares**

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company, the remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.



All amount in ₹ crores, unless otherwise stated

**vii Details of shareholder holding more than 5% share capital**

Name of the equity shareholder as on 31 March 2021	Number of shares
Jyeshta Infrastructure Private Limited	83,30,412
Kritikka Infrastructure Private Limited	85,53,576
Steadview Capital Mauritius Limited	82,53,187
Calleis Real Estate Private Limited	54,00,000
Calleis Constructions Private Limited	54,00,000
Calleis Properties Private Limited	54,00,000
Powerscreen Media Private Limited	54,00,000

Name of the equity shareholder as on 31 March 2020	Number of shares
Jyeshta Infrastructure Private Limited	83,30,412
Kritikka Infrastructure Private Limited	85,53,576
Steadview Capital Mauritius Limited	82,53,187
Calleis Real Estate Private Limited	54,00,000
Calleis Constructions Private Limited	54,00,000
Calleis Properties Private Limited	54,00,000
Powerscreen Media Private Limited	54,00,000

	31 March 2021		31 March 2020	
	Number	(₹ in crores)	Number	(₹ in crores)
<b>B Preference share capital</b>				
<b>i Authorised</b>				
Preference shares of face value of ₹10 each	30,000,000	30.00	30,000,000	30.00
	<b>30,000,000</b>	<b>30.00</b>	<b>30,000,000</b>	<b>30.00</b>

**Note - 16**

Other Equity	31 March 2021	31 March 2020
Reserves and Surplus		
General reserve	501.50	501.50
Capital reserve	53.64	53.64
Deferred employee compensation reserve	12.45	10.33
Securities Premium	962.64	980.28
Retained earnings	(38.61)	54.69
	<b>1,491.62</b>	<b>1,600.43</b>

**(i) Nature and purpose of other reserves**

**General reserve**

The Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders.

**Capital reserve**

The Company has issued share warrants in the earlier years. This reserve is created on account of forfeiture of share application money received on account of issuance of share warrants as share warrants holders did not exercise their rights.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Deferred employee compensation reserve

The reserve is used to recognized the expenses related to stock option issued to employees under Holding Company's employee stock option plans.

### Securities premium

Security premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

### Treasury Shares

The Company had created "Surya Employee Welfare Trust" (formerly known as Indiabulls Integrated Employee Welfare Trust) ("Surya-EWT") for the implementation of schemes namely employees stock options plans, employees stock purchase plan and stock appreciation rights plan. The Company treats Surya-EWT as its extension and the Company's own shares held by Surya-EWT are treated as treasury shares. The premium over face value of the acquired treasury shares are presented as a deduction from the securities premium reserve. The original cost of treasury shares and the proceeds of any subsequent sale are presented as movements in equity.

### Note - 17

#### Lease Liabilities (Refer note- 35)

	31 March 2021	31 March 2020
<b>A Non-Current</b>		
Office Premises	-	2.31
	-	<b>2.31</b>
<b>B Current</b>		
Office Premises	-	0.50
	-	<b>0.50</b>

During the financial year 2020-21, the said leases for office premises were terminated between the Company and the lessor.

### Note - 18

	31 March 2021	31 March 2020
<b>A Provisions Non-current</b>		
Provision for employee benefits:		
Gratuity	0.45	0.21
Compensated absences	0.14	0.09
	<b>0.59</b>	<b>0.30</b>
<b>B Provisions - current</b>		
Provision for employee benefits:		
Gratuity	0.01	0.01
Compensated absences	0.00	0.00
	<b>0.01</b>	<b>0.01</b>

### Note - 19

	31 March 2021	31 March 2020
<b>Borrowings - current</b>		
<b>Unsecured borrowings:</b>		
Loans and advances from related parties	489.15	220.97
Loans and advances from others	239.50	-
	<b>728.65</b>	<b>220.97</b>

All amount in ₹ crores, unless otherwise stated

**Note - 20**

	31 March 2021	31 March 2020
<b>Trade payables - current</b>		
Due to micro and small enterprises*	-	-
Due to others	-	-
	-	-

**\* Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):**

	31 March 2021	31 March 2020
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil	Nil
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	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.

**Note - 21**

	31 March 2021	31 March 2020
<b>Other financial liabilities - current</b>		
Interest accrued but not due on Inter-Corporate deposits	0.08	15.02
Interest accrued but not due on term loans from others	0.24	-
Expenses payable to		
Related parties	-	0.00
Others	0.11	0.55
Security deposits	-	0.01
Temporary Book Overdraft*	445.00	-
Unpaid dividend on equity shares**	-	0.05
	<b>445.43</b>	<b>15.63</b>

\*As on 31 March 2021, the Company has received a sanction of loan amount of ₹ 590 Crores, which was in the process of disbursal from the lender. Basis the sanction letter, the Company had issued a cheque of ₹ 445 Crores to the already existing lender in books and received no dues certificate for the same as on 31 March 2021.

\*\* During the financial year ended 31 March 2021, the Company transferred the amount standing in credit of Unpaid Dividend Account to the Investor Education and Protection Fund as per Statutory Regulations. Further, in respect of amount as mentioned under section 125 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2021 and 31 March 2020.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note - 22

Other current liabilities	31 March 2021	31 March 2020
Payable to statutory authorities	3.27	1.71
Advance from customers	0.25	0.24
	<b>3.52</b>	<b>1.95</b>

### Note - 23

Current tax liabilities, net	31 March 2021	31 March 2020
Provision for income tax	-	0.15
	<b>-</b>	<b>0.15</b>

### Note - 24

Revenue from operations	31 March 2021	31 March 2020
Revenue from real estate project under development	0.10	-
<b>Other operating income</b>		
Others	-	0.04
Referral Commission	0.00	0.02
	<b>0.10</b>	<b>0.06</b>

### Note - 25

Other income	31 March 2021	31 March 2020
Dividend Income	0.00	0.18
Interest Income on loans and advances	2.63	5.48
Interest Income on income tax refund	0.03	-
Interest income on NCD	1.72	0.84
Interest on Commercial Papers	-	0.45
Finance Income	0.00	0.00
Profit on sale of investments, net	0.22	0.45
Income on fair valuation of financial instruments	-	0.56
Balances written back	-	0.58
Liabilities written back	0.05	-
Derecognition of lease liability	0.08	-
	<b>4.74</b>	<b>8.54</b>

All amount in ₹ crores, unless otherwise stated

**Note - 26**

	31 March 2021	31 March 2020
<b>Cost of revenue</b>		
Cost incurred during the year	-	-
(Increase) / decrease in inventory of finished goods		
Opening stock	0.38	0.38
Closing stock	(0.30)	(0.38)
	<b>0.08</b>	-

**Note - 27**

	31 March 2021	31 March 2020
<b>Employee benefits expense</b>		
Salaries and wages	1.88	2.18
Bonus and ex-gratia	0.00	0.09
Gratuity and compensated absences	0.12	0.11
Contribution to provident fund	0.00	0.01
Staff welfare expenses	0.04	0.02
Share based payment expense	2.12	3.62
	<b>4.16</b>	<b>6.03</b>

**Note - 28**

	31 March 2021	31 March 2020
<b>Finance costs</b>		
Interest expenses on income tax	0.03	1.39
Interest on inter-corporate deposits	20.61	16.88
Interest on borrowings	64.72	-
Interest on finance lease	0.06	0.12
	<b>85.42</b>	<b>18.39</b>

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note - 29

Other expenses	31 March 2021	31 March 2020
Advertisement expenses	0.01	0.04
Auditor's remuneration - as auditor (refer note (i) below)	0.29	0.28
Director sitting fees (Paid to Independent Directors)	0.16	0.08
Bank charges	0.00	0.00
Communication expenses	-	0.22
Corporate Social Responsibility Expenses	0.14	0.23
Power and fuel expenses	0.01	0.01
Legal and professional charges	0.35	0.72
Printing and stationery	0.07	0.06
Rates and taxes	0.29	0.13
Property plant and equipment written-off	-	0.01
Repairs and maintenance		
Buildings	0.03	0.04
Vehicles	-	0.03
Others	0.09	0.13
Brokerage and marketing expenses	-	0.00
Security Expenses	0.03	0.08
Traveling and conveyance expenses	0.09	0.02
Insurance expenses	0.01	0.05
Customer incentive and other charges	0.22	0.00
Loss on fair valuation of financial instruments	0.47	-
Subscription fees	0.00	-
Provisions for bad & doubtful debts	0.01	-
Miscellaneous expenses	0.00	0.03
	<b>2.27</b>	<b>2.16</b>
<b>(i) Details of auditor's remuneration</b>		
<b>Auditor's remuneration</b>		
Audit fee	0.27	0.26
Others	0.02	0.02
	<b>0.29</b>	<b>0.28</b>

All amount in ₹ crores, unless otherwise stated

**Note - 30**

Income tax	31 March 2021	31 March 2020
<b>Tax expense comprises of:</b>		
Current tax (including earlier years)	-	1.60
Less: Minimum alternate tax credit entitlement (including earlier years)	-	0.38
Deferred tax charge	-	1.43
<b>Income tax expense reported in the statement of profit and loss</b>	<b>-</b>	<b>3.41</b>

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.168% (31 March 2020: 25.168%) and the reported tax expense in statement of profit and loss are as follows:

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Accounting profit (loss) before income tax	(88.09)	(19.04)
At statutory income tax rate of 25.168% ( 31 March 2020 : 25.168%)	-	-
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Tax impact of exempted income	-	1.60
Deferred tax reversed	-	1.81
<b>Income tax expense</b>	<b>-</b>	<b>3.41</b>

**Note - 31**

**Earnings per share (EPS)**

The Company's Earnings per Share ("EPS") is determined based on the net profit attributable to the shareholders of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

The following reflects the income and share data used in the basic and diluted EPS computation

	31 March 2021	31 March 2020
<b>Profit attributable to equity holders for Basic Earnings per share</b>	<b>(88.09)</b>	<b>(22.45)</b>
<b>Profit attributable to equity holders for Diluted Earnings per share</b>	<b>(88.09)</b>	<b>(22.45)</b>
Weighted average number of equity shares for basic earnings per share	89,325,569	89,325,569
Weighted average number of equity shares adjusted for diluted earnings per share	89,325,569	89,325,569
<b>Earnings per equity share of face value ₹2/-</b>		
(1) Basic (₹)	(9.86)	(2.51)
(2) Diluted (₹)	(9.86)	(2.51)

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note - 32

#### Fair value measurements

##### (i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the financial statements 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:

**Level 1:** quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** unobservable inputs for the asset or liability.

##### (ii) Financial assets measured at fair value

31 March 2021	Level 1	Level 2	Level 3	Total
<b>Financial instruments at FVTPL</b>				
Non-convertible debentures (including accrued interest thereon)	16.20	-	-	16.20
<b>Total financial assets</b>	<b>16.20</b>	-	-	<b>16.20</b>

##### Financial assets measured at fair value

31 March 2020	Level 1	Level 2	Level 3	Total
<b>Financial instruments at FVTPL</b>				
Mutual funds	2.35	-	-	2.35
Non-convertible debentures (including accrued interest thereon)	16.67	-	-	16.67
<b>Total financial assets</b>	<b>19.02</b>	-	-	<b>19.02</b>

##### (iii) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include -

- Investments in equity instruments of subsidiaries are stated at cost as per IND AS 27, separate financial statements.
- Unit price of bonds/non-convertible debentures on the last trading day of the respective financial year as per the Fixed Income Money Market and Derivatives Association of India (FIMMDA) guidelines.

### Note - 33

#### Financial risk management

##### i) Financial instruments by category

Particulars	31 March 2021			31 March 2020		
	FVTPL*	FVOCI#	Amortised cost	FVTPL*	FVOCI#	Amortised cost
<b>Financial assets</b>						
Investments						
Mutual funds	-	-	-	2.35	-	-
Non-convertible debentures	16.20	-	-	16.67	-	-
Trade receivables	-	-	0.67	-	-	0.72
Loans	-	-	1,781.65	-	-	945.08
Cash and cash equivalents	-	-	2.20	-	-	0.72
Security deposits	-	-	0.30	-	-	0.39
<b>Total financial assets</b>	<b>16.20</b>	-	<b>1,784.82</b>	<b>19.02</b>	-	<b>946.91</b>



All amount in ₹ crores, unless otherwise stated

Particulars	31 March 2021			31 March 2020		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial liabilities</b>						
Borrowings (including interest accrued)	-	-	728.97	-	-	235.99
Trade payables	-	-	-	-	-	-
Security deposits	-	-	-	-	-	0.01
Other financial liabilities			445.35			0.60
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,174.32</b>	<b>-</b>	<b>-</b>	<b>236.60</b>

Investment in subsidiaries and associates are measured at cost as per Ind AS 27, 'Separate financial statements'.

\* These financial assets are mandatorily measured at fair value.

# These financial assets represents investment in equity instruments designated as such upon initial recognition.

**ii) Financial instruments measured at amortised cost**

For amortised cost instruments, carrying value represents the best estimate of fair value except for long-term financial assets.

**iii) 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's risk management framework. 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.

**(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, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

**a) Credit risk management**

*i) Credit risk rating*

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
A: Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, loans, investments(current) and other financial assets	12 month expected credit loss/Life time expected credit loss
B: Moderate credit risk	Loans	12 month expected credit loss/Life time expected credit loss

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, such as a debtor declaring bankruptcy or a litigation decided against the Company. 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.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Assets under credit risk –

Credit rating	Particulars	31 March 2021	31 March 2020
A: Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, loans, security deposits, investments(short -term) and other financial assets	19.37	20.85
B: Moderate credit risk	Loans	1,781.65	945.08

#### ii) Concentration of financial assets

The Company's principal business activities are real estate project advisory, construction and development of real estate projects and all other related activities. The Company's outstanding receivables are for real estate project advisory business. Loans and other financial assets majorly represents loans to subsidiaries and deposits given for business purposes.

### b) Credit risk exposure

#### Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets –

#### As at 31 March 2021

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investments	897.05	-	897.05
Trade Receivables	0.67	-	0.67
Cash and cash equivalents	2.20	-	2.20
Loans	1,781.65	-	1,781.65
Security deposit	0.30	-	0.30

#### As at 31 March 2020

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investments	904.78	-	904.78
Trade Receivables	0.72	-	0.72
Cash and cash equivalents	0.72	-	0.72
Loans	945.08	-	945.08
Security deposit	0.39	-	0.39

#### Expected credit loss for trade receivables under simplified approach

The Company's outstanding trade receivables are less than six months old and the Company expects that money will be received in due course.

### (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.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

#### Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

All amount in ₹ crores, unless otherwise stated

31 March 2021	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Non-derivatives</b>					
Borrowings(including interest accrued thereon)	728.97	-	-	-	728.97
Other financial liabilities	445.35	-	-	-	445.35
<b>Total</b>	<b>1,174.32</b>	-	-	-	<b>1,174.32</b>

31 March 2020	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Non-derivatives</b>					
Borrowings(including interest accrued thereon)	235.99	-	-	-	235.99
Other financial liabilities	0.61	-	-	-	0.61
<b>Total</b>	<b>236.60</b>	-	-	-	<b>236.60</b>

(C) Market risk

(i) Interest rate risk

The Company's fixed rate borrowings are 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.

Particulars	31 March 2021	31 March 2020
Fixed rate borrowing	728.65	220.97
<b>Total borrowings</b>	<b>728.65</b>	<b>220.97</b>

**Note - 34**

The inter corporate deposit to subsidiaries has been extended to give the financials support. The Company have not credit impaired any of its inter corporate deposits. Since these loans are doubtful to be recovered, the Company has not accrued any interest on these loans.

**Note-35**

**Lease related disclosures**

During the financial year 2019-20, the Company had leases for office premises. With the exception of short-term leases and leases of low-value underlying assets, each lease was reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate were excluded from the initial measurement of the lease liability and right of use assets. The Company classified its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposed a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset could only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company was prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company was required to pay maintenance fees in accordance with the lease contracts.

During the financial year 2020-21, the said leases for office premises were terminated between the Company and the lessor.

**A Lease payments not included in measurement of lease liability**

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	31 March 2021	31 March 2020
Short-term leases	-	-
Leases of low value assets	-	-
Variable lease payments	-	-

**B** Total cash outflow for leases for the year ended 31 March 2021 was ₹ 0.04 crores(31 March 2020:₹ 0.53 crores).

**C** The Company had total commitment for short-term leases of Nil as at 31 March 2021 (31 March 2020:₹ 0.50 crores).

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### D Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

31 March 2021	Minimum lease payments due				
	Within 1 year	1-2 years	2-3 years	More than 3 years	Total
Lease payments	-	-	-	-	-
Interest expense	-	-	-	-	-
<b>Net present values</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

31 March 2020	Minimum lease payments due				
	Within 1 year	1-2 years	2-3 years	More than 3 years	Total
Lease payments	0.73	0.73	0.80	1.18	3.44
Interest expense	0.23	0.19	0.13	0.08	0.63
<b>Net present values</b>	<b>0.50</b>	<b>0.54</b>	<b>0.67</b>	<b>1.10</b>	<b>2.81</b>

E Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31 March 2021 is Nil (31 March 2020: Nil).

### F Information about extension and termination options

31 March 2021						
Right of use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	-	-	-	-	-	-

31 March 2020						
Right of use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	2	4 to 5 years	4.5 years	2	-	2

G The total future cash outflows as at 31 March 2021 for leases that had not yet commenced is Nil (31 March 2020: Nil).

All amount in ₹ crores, unless otherwise stated

**Note – 36**

**Capital Management**

The Company's objectives when managing capital are:

- To ensure Company's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the current liquidity and long term capital requirements in order to maintain an efficient overall financing structure. 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. The Company manages its capital requirements by overseeing the following ratio:

**Current ratio:**

Particulars	31 March 2021	31 March 2020
Current assets	2,008.25	1,172.99
Current liabilities	1,177.61	239.21
Current ratio	<b>1.71</b>	<b>4.90</b>

**Note – 37**

**Information about subsidiaries**

The information about subsidiaries of the Company is as follows. The below table includes the information about step down subsidiaries as well.

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2021	Proportion of ownership interest as at 31 March 2020
SORIL Infra Resources Limited	India	64.71%	64.71%
Sentia Properties Limited	India	100%	100%
Lucina Infrastructure Limited	India	100%	100%
Albasta Wholesale Services Limited	India	100%	100%
Mahabala Infracon Private Limited	India	100%	100%
Ashva Stud and Agricultural Farms Limited	India	100%	100%
Indiabulls Life Insurance Company Limited	India	100%	100%
Indiabulls General Insurance Limited	India	100%	100%
Store One Infra Resources Limited	India	64.71%	64.71%
Airmid Aviation Services Limited	India	100%	100%
Indiabulls Enterprises Limited	India	100%	100%
Indiabulls Pharmacare Limited	India	100%	100%
Indiabulls Rural Finance Private Limited	India	64.71%	64.71%

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note – 38

#### Related party transactions

##### Subsidiaries

Details in reference to subsidiaries are presented in Note – 37

##### Key management personnel

Mr. Kubeir Khera (CEO & Executive Director of the Company w.e.f. 01 January 2021)

Mr. Manvinder Singh Walia (Whole Time Director of the Company)

##### Summary of transactions with related parties

Particulars	For the period ended 31 March 2021	For the year ended 31 March 2020
<b>Loans and advances (given) / received back, net</b>		
Sentia Properties Limited	0.17	(0.13)
Lucina Infrastructure Limited	(242.23)	(1.66)
Albasta Wholesale Services Limited	(357.51)	(190.38)
Mahabala Infracon Private Limited	(154.33)	(194.61)
Ashva Stud and Agricultural Farms Limited	(82.58)	(105.71)
<b>Loans and Borrowings taken/ (repaid), net</b>		
Airmid Aviation Services Limited	57.00	-
Indiabulls Life Insurance Company Limited	180.68	103.79
Indiabulls General Insurance Limited	30.50	117.18
<b>Interest Expenses on loans and borrowings</b>		
Airmid Aviation Services Limited	0.09	-
Indiabulls Life Insurance Company Limited	9.60	7.98
Indiabulls General Insurance Limited	10.92	8.70
Mahabala Infracon Private Limited	-	0.08
Lucina Infrastructure Limited	-	0.12
<b>Investment in equity shares</b>		
Indiabulls General Insurance Limited	-	149.00
<b>Dividend Income</b>		
SORIL Infra Resources Limited	-	0.18
Albasta Wholesale Services Limited	0.00	0.00

##### Statement of balance outstanding

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Loans and advances given</b>		
Sentia Properties Limited	334.23	334.40
Lucina Infrastructure Limited	243.89	1.66
Albasta Wholesale Services Limited	660.48	302.96
Mahabala Infracon Private Limited	348.93	194.61
Ashva Stud and Agricultural Farms Limited	194.12	111.45

All amount in ₹ crores, unless otherwise stated

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Loans and Borrowings taken</b>		
Airmid Aviation Services Limited	57.00	-
Indiabulls Life Insurance Company Limited	284.47	103.79
Indiabulls General Insurance Limited	147.68	117.18
<b>Interest Payable on Borrowings</b>		
Airmid Aviation Services Limited	0.08	-
Indiabulls Life Insurance Company Limited	-	7.19
Indiabulls General Insurance Limited	-	7.83
<b>Corporate Guarantees Given</b>		
Airmid Aviation Services Limited	-	243.58
SORIL Infra Resources Limited	18.99	31.97

### Note - 39

#### Contingent liabilities and Commitment

##### A. Summary of contingent liabilities

Contingent liabilities, not acknowledged as debt, include

Particulars	As at 31 March 2021	As at 31 March 2020
Income tax matters for assessment year 2012-13 in respect of the which appeals have been filed*	1.56	1.56
Income tax matters for assessment year 2013-14 in respect of the which appeals have been filed	0.03	Nil
Income tax matters for assessment year 2014-15 in respect of the which appeals have been filed	0.49	0.49

The Company has given corporate guarantee for the secured term loans availed by the subsidiary company- SORIL Infra Resources Limited (Formerly known as Store One Retail India Limited). Outstanding amount of loans as on 31 March 2021 is ₹18.99 crores (31 March 2020: ₹31.97 crores).

The Company has given corporate guarantee for the secured term loans availed by the step down subsidiary company- Airmid Aviation Services Limited. Outstanding amount of loans as on 31 March 2021 is Nil (31 March 2020 ₹243.58 crores).

The Company has certain litigation cases pending. However, based on legal advice, the management does not expect any unfavourable outcome resulting in material adverse effect on the financial position of the Company.

As per best estimate of the management, no provision is required to be made 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.

##### B. Commitments

The Company has committed to provide the financial support to all its subsidiaries.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note - 40

#### Employee benefits

##### Defined contribution plan

The Company has made ₹ 0.00 crores (31 March 2020 ₹ 0.01 crores) contribution in respect of provident fund.

##### Defined benefit plan

The Company has following defined benefit plans:

- Gratuity (unfunded)
- Compensated absences (unfunded)

##### Risks associated with plan provisions

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

##### Compensated absence

The leave obligations cover the Company's liability for permitted leaves. The amount of provision of ₹0.00 crores (31 March 2020 - ₹0.00 crores) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. The weighted average duration of the defined benefit obligation is 22.19 years (31 March 2020: 20.11 years).

##### Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity plan is a non-funded plan. The weighted average duration of the defined benefit obligation is 22.19 years (31 March 2020: 20.11 years)

##### Actuarial (gain)/loss on obligation:

Particulars	Gratuity		Compensated absence	
	For the year ended		For the year ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Actuarial (gain)/loss on arising from change in demographic assumption	-	(0.00)	-	(0.00)
Actuarial (gain)/loss on arising from change in financial assumption	0.01	0.02	0.00	0.01
Actuarial (gain)/loss on arising from change in experience adjustment	0.18	(0.03)	0.02	0.02



All amount in ₹ crores, unless otherwise stated

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

Particulars	Gratuity		Compensated absence	
	For the year ended		For the year ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Service cost	0.05	0.05	0.02	0.03
Net interest cost	0.02	0.01	0.01	0.00
Actuarial (gain)/loss for the year	(0.19)	(0.01)	0.02	0.02
<b>Expenses recognized/ (reversed) in the statement of profit and loss</b>	<b>(0.12)</b>	<b>0.05</b>	<b>0.05</b>	<b>0.05</b>

Movement in the liability recognized in the balance sheet is as under:

Particulars	Gratuity		Compensated absence	
	As at		As at	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Present value of defined benefit obligation at the beginning of the year	0.21	0.16	0.09	0.04
Current Service Cost	0.05	0.05	0.02	0.02
Interest Cost	0.02	0.01	0.01	0.00
Actuarial (gain)/ loss on obligation	0.19	(0.01)	0.02	0.03
Benefits paid	(0.01)	-	-	-
<b>Present value of defined benefit obligation at the end of the year</b>	<b>0.46</b>	<b>0.21</b>	<b>0.14</b>	<b>0.09</b>

Bifurcation of projected benefit obligation at the end of the year in current and non-current

Particulars	Gratuity		Compensated absence	
	As at		As at	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
a) Current liability (amount due within one year)	0.45	0.00	0.00	0.00
b) Non - current liability (amount due over one year)	0.01	0.21	0.14	0.09
<b>Total projected benefit obligation at the end of the year</b>	<b>0.46</b>	<b>0.21</b>	<b>0.14</b>	<b>0.09</b>

For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	Gratuity		Compensated absence	
	As at		As at	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Discount rate	6.83%	6.99%	6.83%	6.99%
Salary escalation rate	5.50%	5.50%	5.50%	5.50%
Mortality table	IALM (2012 - 14)	IALM (2012 - 14)	IALM (2012 - 14)	IALM (2012 - 14)

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Maturity plan of defined benefit obligation

Year	31 March 2020		Year	31 March 2019	
	Gratuity	Compensated absence		Gratuity	Compensated absence
a) April 2021 – March 2022	0.01	0.00	April 2020 – March 2021	0.00	0.00
b) April 2022 – March 2023	0.00	0.00	April 2021 – March 2022	0.00	0.00
c) April 2023 – March 2024	0.00	0.00	April 2022 – March 2023	0.00	0.00
d) April 2024 – March 2025	0.00	0.00	April 2023 – March 2024	0.00	0.00
e) April 2025 – March 2026	0.00	0.00	April 2024 – March 2025	0.00	0.00
f) April 2026 – March 2027	0.00	0.00	April 2025 – March 2026	0.00	0.00
g) April 2027 onwards	0.45	0.14	April 2026 onwards	0.19	0.09

### Sensitivity analysis of the defined benefit obligation

Particulars	31 March 2021		31 March 2020	
	Gratuity	Compensated absence	Gratuity	Compensated absence
<b>Impact of the change in discount rate</b>				
Present value of obligation at the end of the year	0.46	0.14	0.21	0.09
a) Impact due to increase of 0.50 %	(0.03)	(0.01)	(0.02)	(0.01)
b) Impact due to decrease of 0.50 %	0.04	0.01	0.02	0.01
<b>Impact of the change in salary increase</b>				
Present value of obligation at the end of the year	0.46	0.14	0.21	0.09
a) Impact due to increase of 0.50 %	0.04	0.01	0.02	0.01
b) Impact due to decrease of 0.50 %	(0.03)	(0.01)	(0.02)	(0.01)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

### Note – 41

#### Corporate social responsibility expenses

- (a) Gross amount required to be spent by the company during the year: ₹0.14 crores (31 March 2020: ₹0.23 crores).  
 (b) Amount spent during the year on:

S. No.	Particulars	Year	Paid in cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	31 March 2021	-	-	-
		31 March 2020	-	-	-
(ii)	On purposes other than (i) above	31 March 2021	0.14	-	0.14
		31 March 2020	0.23	-	0.23

### Note – 42

#### Share based payments

##### A. Yaarii Digital Integrated Services Limited Employees Stock Options Scheme – 2011

The Company established the Yaarii Digital Integrated Services Limited Employees Stock Options Scheme - 2011 ("YDISL ESOS"). Under the Plan, the Company granted 45,66,600 equity settled options to its eligible employees during the financial year 2017-18 which gave them a right to subscribe up to 45,66,600 stock options representing an equal number of equity shares of face value of ₹ 2

All amount in ₹ crores, unless otherwise stated

each of the Company at an exercise price of ₹ 105.20 per option, subject to the requirements of vesting. A compensation committee constituted by the Board of Directors of the Company administers the Plan. The stock options so granted, shall vest in the eligible employees within 5 years beginning from 03 November 2018, the first vesting date. The stock options granted under each of the slabs are exercisable by the option holders within a period of five years from the relevant vesting date.

The previous title of the Scheme, viz. SORIL Holdings and Ventures Limited Employee Stock Option Scheme -2011 (SHVL ESOS), stands changed to Yaarii Digital Integrated Services Limited Employee Stock Option Scheme – 2011 (YDISL ESOS) in line with the revised certificate of incorporation dated 25 November 2020.

Following is a summary of options granted under the plan

Particulars	31 March 2021	31 March 2020
Opening balance	45,66,600	45,66,600
Granted during the year	-	-
Exercised during the year	-	-
Forfeited during the year	-	-
<b>Closing balance</b>	<b>45,66,600</b>	<b>45,66,600</b>
Vested and exercisable	27,39,960	18,26,640

Weighted average share exercised price during the period/year ended 31 March 2021: Nil (31 March 2020: Nil)

Particulars	YDISL ESOS
Fair market value of option on the date of grant	₹ 15.52
Exercise price	₹ 105.20
Expected volatility	40.57%-54.28%
Expected forfeiture percentage on each vesting date	20%
Expected option life (weighted average)	8 years
Expected dividend yield	100%
Risk free interest rate	6.56%-7.01%

The expected volatility was determined based on historical volatility data of the Company's shares listed on the recognized Stock Exchange.

#### B. Yaarii Digital Integrated Services Limited – Employee stock benefit Scheme 2018

- (i). During the financial year 2018-19, the Company established an Employees Stock Option Plan, which is called now “Yaarii Digital Integrated Services Limited – Employee Stock Benefit Scheme 2018” (“ESOP Plan 2018”). Under the Plan, the Company had granted 10,00,000 equity settled options to its eligible employees which gave them a right to subscribe up to 10,00,000 stock options representing an equal number of equity shares of face value of ₹2 each of the Company at an exercise price of ₹489.35 per option, subject to the requirements of vesting. A compensation committee constituted by the Board of Directors of the Company administers the Plan. The stock options so granted, shall vest in the eligible employees within 5 years beginning from 10 August 2019, the first vesting date. The stock options granted under each of the slabs are exercisable by the option holders within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan

Particulars	31 March 2021	31 March 2020
Opening balance	10,00,000	10,00,000
Granted during the year	-	-
Exercised during the year	-	-
Forfeited during the year	-	-
<b>Closing balance</b>	<b>10,00,000</b>	<b>10,00,000</b>
Vested and exercisable	4,00,000	2,00,000

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

Weighted average share exercised price during the period/year ended 31 March 2021: Nil (31 March 2020: Nil)

Particulars	YDISL ESOS
Fair market value of option on the date of grant	₹ 64.97
Exercise price	₹ 489.35
Expected volatility	30.05%-40.33%
Expected forfeiture percentage on each vesting date	20%
Expected option life (weighted average)	7.5 years
Expected dividend yield	100%
Risk free interest rate	7.68%-7.98%

The expected volatility was determined based on historical volatility data of the Company's shares listed on the recognized Stock Exchange.

- (ii). Further, in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 (SBEB Regulations), the Company had set up a registered employees' welfare trust titled "Surya Employees Welfare Trust" (the "Trust") to efficiently manage the Scheme(s) and to acquire, purchase, hold and deal in fully paid-up equity shares of the Company from the secondary market, for the purpose of administration and implementation of the Scheme(s). During the FY 2020-21, on 12 February 2021, 17,54,327 shares held by the Trust have been appropriated for the implementation and management of Company's employees benefit scheme viz. the "Yaarii Digital Integrated Services Limited - Employee Stock Benefit Scheme 2018", towards grant of Share Appreciations Rights (SARs) to the employees of the Company and its subsidiaries as permitted pursuant to and in compliance with applicable SBEB Regulations. As per the vesting schedule, the options shall vest equally over 3 years; i.e., 33% each of the at the end of every year from the date of its Grant.

Following is a summary of options granted under the plan

Particulars	31 March 2021
Opening balance	-
Granted during the year	17,54,327
Exercised during the year	-
Forfeited during the year	-
<b>Closing balance</b>	<b>17,54,327</b>
<b>Vested and exercisable</b>	<b>-</b>

Options granted by the Company have a graded vesting period. As per Ind-AS 102 on 'Share-based payments', while calculating value of an Option with graded vesting, each vesting need to be considered as a separate grant. Binomial option pricing model has been used for evaluation of the fair value of Option as on the date of grant.

The details of the variables used and fair value computed as at Grant Date are stated below:

Particulars	31 March 2021
Grant Date	12 February 2021
Vesting date	12 February 2024
Market Price per share	INR 128.75
Exercise price	INR 130.00
Term (in years)	3.50 years
Rf rate	5.10%
Forfeiture Rate	15% per annum
Volatility	44.85%
Dividend yield	0.00%
Call Option Value	INR 49.14 per option

The total expense of share based payments recognized during the period/year ended 31 March 2021 is ₹ 2.12 crores (31 March 2020: ₹ 3.62 crores)

All amount in ₹ crores, unless otherwise stated

**Note – 43**

**Segment Reporting**

The Company’s primary business segment is reflected based on principal business activities carried on by the Company. As per Indian Accounting Standard 108 as notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in Section 133 of the Companies Act, 2013, the Company operates in one reportable business segment and is primarily operating in India and hence, considered as single geographical segment. The Company carries on different business through investment in subsidiaries.

**Note – 44**

Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 – Cash flows

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

Particulars	Current borrowings
<b>Net debt as at 01 April 2019</b>	-
Proceeds from current borrowings	263.44
Repayment of current borrowings	(42.47)
<b>Net debt as at 31 March 2020</b>	<b>220.97</b>
Proceeds from current borrowings	3,980.14
Repayment of current borrowings	(3,472.46)
<b>Net debt as at 31 March 2021</b>	<b>728.65</b>
<b>Interest Expenses on borrowings</b>	<b>85.33</b>

**Note – 45**

Upon receipt of NOCs (observation letters) from the National Stock Exchange of India Limited and BSE Limited, during FY 2019-20, the Company had filed the Company Application, under Section 230 to 232 of the Companies Act, 2013 and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, before jurisdictional bench of NCLT in respect of the Scheme of Amalgamation and Arrangement amongst the Company, (“Transferee Company” or “Demerging Company 1”), Albasta Wholesale Services Limited (“Transferor Company 1”), Sentia Properties Limited (“Transferor Company 2”), Lucina Infrastructure Limited (“Transferor Company 3”), Ashva Stud and Agricultural Farms Limited (“Transferor Company 4”), Mahabala Infracon Private Limited (“Transferor Company 5”), SORIL Infra Resources Limited (“Transferor Company 6”), Store One Infra Resources Limited (“Transferor Company 7”), Indiabulls Enterprises Limited (“Resulting Company 1”), Indiabulls Pharmaceuticals Limited (“Demerging Company 2”) and Indiabulls Pharmacare Limited (“Resulting Company 2”) and their respective shareholders and creditors.

**Note – 46**

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stake holders which are under active consideration by the Ministry. Based on an initial assessment by the Company, the additional impact on Provident Fund contributions by the Company is not expected to be material, whereas, the likely additional impact on Gratuity liability/ contributions by the Company and its Indian subsidiaries could be material. The Company will complete its evaluation once the subject rules are notified and will give appropriate impact in the financial results in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note – 47

#### Other matters

- a. The Company has not entered into any derivative instrument during the year. The Company does not have any foreign currency exposures towards receivables, payables or any other derivative instrument that have not been hedged.
- b. In respect of amounts as mentioned under Section 125 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2021 and 31 March 2020.
- c. In the opinion of the Board of Directors, all current assets and long term loans & advances, appearing in the balance sheet as at 31 March 2021, have a value on realization, in the ordinary course of the Company's business, at least equal to the amount at which they are stated in the financial statements. In the opinion of the board of directors, no provision is required to be made against the recoverability of these balances.

This is the balance sheet referred to in our report of even date.

#### For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number.: 005975N

#### Vikas Aggarwal

Partner

Membership Number: 097848

Place : Gurugram

Date : 08 May 2021

#### For and on behalf of the Board of Directors

#### Kubeir Khara

Executive Director & CEO

[DIN:03498226]

#### Priya Jain

Company Secretary

#### Ajit Kumar Mittal

Director

[DIN:02698115]

#### Saurabh Garg

Chief Financial Officer

To the Members of Yaari Digital Integrated Services Limited (formerly known as Indiabulls Integrated Services Limited)

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying Consolidated Financial Statements of **Yaari Digital Integrated Services Limited** (formerly known as *Indiabulls Integrated Services Limited*) (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group), which comprise the Consolidated balance sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the Consolidated state of affairs of the Group as at 31 March 2021, its Consolidated loss and Consolidated total comprehensive income, its Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our audit report.

Key audit matter	How the matter was addressed in our audit
<b>Information technology</b>	
<b>IT systems and controls</b>	Our audit procedures to assess the IT system access management included the following:
The Group's financial accounting and reporting processes are highly dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated.	<b>General IT controls/user access management</b>
We have focused on user access management, change management, segregation of duties, system reconciliation controls over key financial accounting and reporting systems.	<ul style="list-style-type: none"> <li>We tested a sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations.</li> <li>We tested the design and operating effectiveness of key controls over user access management which includes granting access right, new user creation, removal of user rights, new user creation, removal of user rights and preventative controls designed to enforce segregation of duties,</li> <li>For a selected group of key controls over financial and reporting systems, we independently performed procedures to determine that these controls remained unchanged during the year or were changed following the standard change management process.</li> <li>Evaluating the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission.</li> <li>Other areas that were independently assessed included password policies, system interface controls, controls over changes to applications and databases and those business users, developers and production support did not have access to change applications, the operating system or databases in the production environment.</li> </ul>

Key audit matter	How the matter was addressed in our audit
<p><b>Property, Plant and Equipment</b></p> <p>The Group's policies on the property, plant and equipment are set out in note 5(c) to the Consolidated Financial Statements.</p> <p>The Group carries property, plant and equipment with net written down value of Rs. 154.09 crores as at 31 March 2021, with the majority of value attributed to plant &amp; machinery as disclosed in note- 6A of the Consolidated Financial Statements.</p> <p>However, due to their materiality in the contest of the Group's Financial Statements as a whole and significant degree of the judgement and subjectivity involved in the estimates and key assumptions used, this is considered to be the area to be of most significance to the audit and accordingly, has been considered as key audit matter for the current year audit.</p>	<p>Our Procedures in relation to the property, plant and equipment, but not limited to the following:</p> <ul style="list-style-type: none"> <li>• Assessed the appropriateness of the company's accounting policy by comparing with applicable Ind AS.</li> <li>• We obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing.</li> <li>• Enquired of the management and understood the internal controls related to completeness of the list of property, plant and equipment alongwith the process followed.</li> <li>• Performed test of details: <ul style="list-style-type: none"> <li>a. For all significant additions made during the year, underlying supporting documents were verified to ensure that the transaction has been accurately recorded in the Consolidated Financial Statements;</li> <li>b. Obtaining management reconciliation of property, plant and equipment and agreeing to general ledger. Further, all the significant reconciling items were tested;</li> <li>c. Analysing management's plan for the assets in the future and the associated consideration of Ind AS 16;</li> <li>d. Reviewing the management impairment consideration documentation relating to the carrying value to property, plant and equipment; and</li> <li>e. Reviewing the appropriateness of the related disclosure within the Consolidated Financial Statements.</li> </ul> </li> </ul>
<p><b>De-recognition of financial asset</b></p> <p>The Group's policies on de-recognition of financial assets are set out in note 5(j) to the Consolidated Financial Statements.</p> <p>During the year, the Group has assigned loans amounting to Rs.101.90 crores for managing its funding requirements and recorded a net income of Rs.10.56 crores. As per Ind AS 109, de-recognition of loans transferred by the Company through assignment is based on the 'risk and reward' model and a 'control' model. If de-recognition criteria are met, the financial assets transferred are de-recognized and difference between carrying value and consideration including the present value of interest payments that it would not give up (excess interest spread receivable) is recorded as income in the statement of profit and loss.</p> <p>The Group also records a servicing asset at their fair value for the right retained for servicing the financial asset for the service contract.</p> <p>The assessment of de-recognition criteria being met involves significant judgements and furthermore the measurement of the related EIS receivable income and servicing asset requires significant estimates to be made with respect to the discount rate, expected portfolio life, prepayment and foreclosures. Given the complexity and the volume of such transactions it is considered a key audit matter.</p>	<p>Our Procedures in relation to the de-recognition of financial assets, but not limited to the following:</p> <ul style="list-style-type: none"> <li>• Assessed the terms of assignment agreements on a sample basis to evaluate whether the de-recognition criteria have been met.</li> <li>• Assessed the significant estimates and judgments, including the discount rate and expected remaining life of the portfolio transferred used by the Group for computation of excess interest spread receivable and servicing asset.</li> <li>• Tested the arithmetical accuracy of computation of the excess interest spread receivable and servicing asset.</li> <li>• Assessed the disclosures included in the Ind AS financial statements with respect to de-recognition in accordance with the requirements of Ind AS 109 and Ind AS 107.</li> </ul>



## Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information does not include the Consolidated Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

## Management's Responsibility for the Consolidated Financial Statements

The Holding 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 Consolidated Financial Statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance, Consolidated total comprehensive income, Consolidated changes in equity and Consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies are also responsible for overseeing financial reporting process of the Group.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated 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 Consolidated 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 control 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 Holding Company has adequate internal financial controls system with reference to Consolidated Financial Statements 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 ability of the Group 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 Consolidated 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 Group to cease to continue as a going concern.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### Other Matters

We did not audit the annual financial statements of a subsidiary included in the Statement, whose financial information reflects total assets ₹ 375.71 crores as at 31 March 2021, total revenues of ₹ 34.24 crores, total net profit after tax of ₹ 20.94 crores total comprehensive income of ₹ 20.94 crores and cash inflows (net) of ₹ 0.39 crores for the year ended on that date, as considered in the Statement.

These annual financial statement has been audited by other auditor whose report have been furnished to us by the management, and our opinion insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on other information in so far as it relates to the aforesaid subsidiary and is based solely on the reports of the other auditor.

Our opinion on the statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- (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 Consolidated Financial Statements dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2021 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31 March 2021 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 with reference to Consolidated Financial Statements of the Group and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements as at 31 March 2021— Refer Note 41 to the Consolidated Financial Statements.
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries during the year ended 31 March 2021, other than disclosed in the Consolidated Financial Statement.

(h) With respect to the matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended 31 March 2021 has been paid/provided by the Holding Company and its subsidiary to its directors in accordance with the provisions of the section 197 read with schedule V to the Act.

For **Agarwal Prakash & Co.**  
Chartered Accountants  
Firm's Registration No.: 005975N

**Vikas Aggarwal**  
Partner  
Membership No. 097848  
UDIN: 21097848AAAADP5618

Place: Gurugram  
Date: 08 May 2021

# Annexure A

## to the Independent Auditor's Report

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the Consolidated Financial Statements for the year ended 31 March 2021 of even date.

### **Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls with reference to Consolidated Financial Statements of Yarii Digital Integrated Services Limited (formerly known as Indiabulls Integrated Services Limited) (hereinafter referred to as the "Holding Company") as of 31 March 2021 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The respective company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated Financial Statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to 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 with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements 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 control system with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated 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 Consolidated 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 with reference to Consolidated Financial Statements.

### **Meaning of Internal Financial Controls with reference to Consolidated Financial Statements**

A Company's internal financial controls with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to Consolidated Financial Statements 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 Consolidated 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 Consolidated Financial Statements.

### **Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, 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 with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Holding Company, its subsidiary companies have, in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at 31 March 2021, based on the internal financial controls with reference to Consolidated Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

## Other Matters

We did not audit the annual financial statements of a subsidiary included in the Statement, whose financial information reflects total assets ₹ 375.71 crores as at 31 March 2021, total revenues of ₹ 34.24 crores, total net profit after tax of ₹ 20.94 crores total comprehensive income of ₹ 20.94 crores and cash inflows (net) of ₹ 0.39 crores for the year ended on that date, as considered in the Statement.

These annual financial statement has been audited by other auditor whose report have been furnished to us by the management, and our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with references to the consolidated financial statements insofar as it relates to the aforesaid subsidiary, which are company incorporated in India and is based solely on the reports of the other auditor. Our opinion is not qualified in respect of this matter.

For **Agarwal Prakash & Co.**  
Chartered Accountants  
Firm's Registration No.: 005975N

**Vikas Aggarwal**  
Partner  
Membership No. 097848  
UDIN: 21097848AAAADP5618

Place: Gurugram  
Date: 08 May 2021

# Consolidated Balance Sheet

as at 31 March 2021

		<i>All amount in ₹ crores, unless otherwise stated</i>		
		Note	31 March 2021	31 March 2020
<b>I</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
	(a) Property, plant and equipment	6 A	154.09	264.75
	(b) Capital work-in-progress		0.62	-
	(c) Right to use Asset	6 B	3.41	12.70
	(d) Other intangible assets	6 C	4.45	4.65
	(e) Goodwill	6 D	72.56	72.56
	(f) Financial assets			
	Investments	7 A	457.97	244.83
	Loans	8 A	64.00	192.53
	Other financial assets	9 A	6.78	2.09
	(g) Deferred tax assets, net	10	0.91	0.37
	(h) Non-current tax assets, net	11	18.82	28.75
	(i) Other non-current assets	12 A	0.09	0.14
	<b>Total</b>		<b>783.70</b>	<b>823.37</b>
	<b>Current assets</b>			
	(a) Inventories	13	25.56	28.48
	(b) Financial assets			
	Investments	7 B	130.66	296.48
	Trade receivables	14	83.00	81.00
	Cash and cash equivalents	15	26.44	10.35
	Other bank balances	16	1.02	1.07
	Loans	8 B	255.05	122.02
	Other financial assets	9 B	4.78	3.02
	(c) Other current assets	12 B	315.63	318.51
	<b>Total</b>		<b>842.14</b>	<b>860.93</b>
	<b>Total of Assets</b>		<b>1,625.84</b>	<b>1,684.30</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity share capital	17	17.51	17.87
	(b) Other equity	18	394.19	290.33
	<b>Equity attributable to the owners of the Holding Company</b>		<b>411.70</b>	<b>308.20</b>
	(c) Non-controlling interest		92.08	84.82
	<b>Total Equity</b>		<b>503.78</b>	<b>393.02</b>
	<b>Liabilities</b>			
	<b>Non-current liabilities</b>			
	(a) Financial liabilities			
	Borrowings	19 A	67.97	25.88
	Lease Liabilities	20 A	3.52	10.02
	(b) Provisions	21 A	4.33	4.68
	(c) Deferred tax liabilities	22	2.11	2.95
	<b>Total</b>		<b>77.93</b>	<b>43.53</b>
	<b>Current liabilities</b>			
	(a) Financial liabilities			
	Borrowings	19 B	239.50	838.42
	Lease Liabilities	20 B	0.39	3.29
	Trade payables	24		
	- total outstanding dues of micro enterprises and small enterprises		15.36	9.40
	- total outstanding dues of creditors other than micro enterprises and small enterprises		22.06	22.43
	Other financial liabilities	25	746.87	352.41
	(b) Other current liabilities	23	7.15	12.50
	(c) Provisions	21 B	0.06	0.08
	(d) Current tax liabilities, net	26	12.74	9.22
	<b>Total</b>		<b>1,044.13</b>	<b>1,247.75</b>
	<b>Total of Equity and Liabilities</b>		<b>1,625.84</b>	<b>1,684.30</b>
	<b>Summary of significant accounting policies</b>	5		
	The accompanying notes form an integral part of the consolidated financial statements			

This is the consolidated balance sheet referred to in our report of even date.

**For Agarwal Prakash & Co.**

Chartered Accountants

Firm's Registration Number.: 005975N

**Vikas Aggarwal**

Partner

Membership Number: 097848

Place : Gurugram

Date : 08 May 2021

**For and on behalf of the Board of Directors**

**Kubeir Khara**

Executive Director & CEO

[DIN:03498226]

**Priya Jain**

Company Secretary

**Ajit Kumar Mittal**

Director

[DIN:02698115]

**Saurabh Garg**

Chief Financial Officer

# Consolidated Statement of profit and loss for the year ended 31 March 2021



*All amount in ₹ crores, unless otherwise stated*

	Note	Year ended	
		31 March 2021	31 March 2020
<b>Revenue</b>			
Revenue from operations	27	168.46	225.47
Other income	28	78.76	122.56
<b>Total of Revenue</b>		<b>247.22</b>	<b>348.03</b>
<b>Expenses</b>			
Cost of revenue	29	102.44	132.78
Employee benefits expenses	30	42.43	66.88
Finance costs	31	124.62	129.65
Depreciation and amortisation expenses	32	29.02	32.13
Other expenses	33	23.45	253.33
<b>Total of Expenses</b>		<b>321.96</b>	<b>614.77</b>
<b>Loss before tax</b>		<b>(74.74)</b>	<b>(266.74)</b>
<b>Tax expenses</b>	34		
Current tax (including earlier years)		14.34	17.18
Deferred tax charge/(credit)		(1.43)	9.26
<b>Loss after tax</b>		<b>(87.65)</b>	<b>(293.18)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Re-measurement gain on defined benefits plans, net of tax		0.32	0.25
Realised/ Fair Value measurement of equity instruments, net of tax		213.14	(832.98)
<b>Total of other comprehensive income</b>		<b>213.46</b>	<b>(832.73)</b>
<b>Total Comprehensive Income for the year</b>		<b>125.81</b>	<b>(1,125.91)</b>
<b>Net profit attributable to</b>			
Owners of the Holding Company		(94.48)	(295.53)
Non-controlling interest		6.83	2.35
		<b>(87.65)</b>	<b>(293.18)</b>
<b>Total comprehensive income is attributable to</b>			
Owners of the Holding Company		118.84	(1,129.76)
Non-controlling interest		6.97	3.85
		<b>125.81</b>	<b>(1,125.91)</b>
<b>Earnings per equity share</b>	35		
<b>Equity share of par value of ₹ 2/- each</b>			
Basic (₹)		(10.58)	(33.08)
Diluted (₹)		(10.58)	(33.08)
<b>Summary of significant accounting policies</b>	5		
The accompanying notes form an integral part of the consolidated financial statements			

This is the consolidated statement of profit and loss referred to in our report of even date.

**For Agarwal Prakash & Co.**

Chartered Accountants

Firm's Registration Number.: 005975N

**Vikas Aggarwal**

Partner

Membership Number: 097848

Place : Gurugram

Date : 08 May 2021

**For and on behalf of the Board of Directors**

**Kubeir Khara**

Executive Director & CEO

[DIN:03498226]

**Priya Jain**

Company Secretary

**Ajit Kumar Mittal**

Director

[DIN:02698115]

**Saurabh Garg**

Chief Financial Officer

# Consolidated Statement of Cash Flows

## for the year ended 31 March 2021

	Year ended	
	31 March 2021	31 March 2020
<b>A. Cash flow from operating activities:</b>		
Loss before tax	(74.74)	(266.74)
<b>Adjustments for :</b>		
Depreciation and amortization expense	29.02	32.13
Interest expense	123.37	123.84
Interest income	(49.97)	(43.98)
Interest income from financing and related activities	(24.01)	(32.66)
Net loss/ (gain) on derecognition of assigned loans	3.16	(3.10)
Interest Spread income on pool loan	(10.56)	-
Dividend income	-	(34.93)
Loss/ (profit) on redemption of investments	3.51	(8.19)
Fair valuation of financial instruments, net	-	(16.98)
Profit on sale of property, plant and equipment	(27.07)	(14.33)
Loss on sale/written off of property, plant and equipment	0.45	0.01
Provision for employee benefits	(0.01)	1.80
Provisions against standard assets	0.30	0.15
Provision for warranties	0.13	(0.18)
Liabilities written back	(0.97)	(1.07)
Provision for expected credit loss	3.32	0.59
Impairment of goodwill	-	58.42
De-recognition of lease liability	(0.08)	-
Share based payment expenses	2.96	5.28
<b>Operating loss before working capital changes and other adjustments</b>	<b>(21.19)</b>	<b>(199.94)</b>
<b>Working capital changes and other adjustments:</b>		
Trade receivables	(5.32)	5.02
Loans and other financial assets	136.23	(11.95)
Other assets	3.68	1.36
Inventories	2.92	(7.09)
Trade payables	5.58	10.05
Other financial liabilities	700.75	12.64
Other liabilities and provisions	(5.48)	(29.83)
<b>Cash generated from/(used in) operating activities</b>	<b>817.17</b>	<b>(219.74)</b>
Interest received from financing and related activities	24.99	31.03
Interest paid on borrowings from financing and related activities	-	(1.54)
Income tax (paid)/ refund received, net	(0.89)	(28.23)
<b>Net cash generated from/ (used in) operating activities</b>	<b>841.27</b>	<b>(218.48)</b>
<b>B. Cash flow from investing activities:</b>		
Purchase of property, plant and equipment and other intangible assets	(2.22)	(11.30)
Sale of property, plant and equipment and other intangible assets	110.79	17.46
Movements in fixed deposits	(0.01)	0.07
Interest received on fixed deposits	0.08	0.08
Investment in securities, net	162.32	(474.14)
Inter-corporate loans given, net	(131.55)	(103.00)
Interest received	39.80	37.16
Dividend income received	-	34.93
<b>Net cash generated from/(used in) investing activities</b>	<b>179.21</b>	<b>(498.74)</b>



# Consolidated Statement of Cash Flows

for the year ended 31 March 2021 (Contd...)



	Year ended	
	31 March 2021	31 March 2020
<b>C. Cash flow from financing activities: (refer note-47)</b>		
Payment of lease liabilities	(1.48)	(3.97)
Acquisition of treasury shares	(17.99)	-
Borrowings from banks and financial institutions	0.11	1.02
Repayment of borrowings to banks and financial institutions	(260.02)	(44.37)
Proceeds from non convertible debentures	49.56	-
(Repayment of)/ proceeds from inter-corporate borrowings, net	(589.58)	829.08
Interest paid on borrowings	(184.99)	(65.04)
<b>Net cash generated from financing activities</b>	<b>(1,004.39)</b>	<b>716.72</b>
<b>D. Decrease in cash and cash equivalents, net (A+B+C)</b>	<b>16.09</b>	<b>(0.50)</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>10.35</b>	<b>10.85</b>
<b>F. Cash and cash equivalents at the end of the year (D+E)</b>	<b>26.44</b>	<b>10.35</b>
<b>G. Reconciliation of cash and cash equivalents as per cash flow statement</b>		
<b>Cash and cash equivalents includes</b>		
Cash on hand	0.12	0.16
Foreign currency on hand	0.00	0.00
Balances with banks		
In current accounts	26.32	10.14
In unclaimed dividend account(refer note (c) below)	-	0.05
	<b>26.44</b>	<b>10.35</b>

- The accompanying notes form an integral part of the consolidated financial statements
- Ind AS-7 allows entities to report cash flow from operating activities using either the direct or indirect method, however listing regulations issued by SEBI (Securities Exchange Board of India) requires the listed companies to present cash flow only under indirect method. The Group has presented the above cash flow statement by using the indirect method.
- Unclaimed dividend account pertains to dividend not claimed by equity shareholders and the Holding Company does not have any right on the said money.

This is the consolidated statement of cash flows referred to in our report of even date.

**For Agarwal Prakash & Co.**

Chartered Accountants

Firm's Registration Number.: 005975N

**Vikas Aggarwal**

Partner

Membership Number: 097848

Place : Gurugram

Date : 08 May 2021

**For and on behalf of the Board of Directors**

**Kubeir Khera**

Executive Director & CEO

[DIN:03498226]

**Priya Jain**

Company Secretary

**Ajit Kumar Mittal**

Director

[DIN:02698115]

**Saurabh Garg**

Chief Financial Officer

# Consolidated Statement of Changes in Equity

## as at 31 March 2021

### (A) Equity share capital\*

31 March 2021

All amount in ₹ crores, unless otherwise stated

Particulars	Opening balance as at 01 April 2019	Changes during the year	Balance as at 31 March 2020	Changes during the year	Balance as at 31 March 2021
Equity share capital	17.87	-	17.87	(0.36)	17.51

### (B) Other equity\*\*

All amount in ₹ crores, unless otherwise stated

Particulars	Reserves and surplus					Other comprehensive income	Share warrant money	Special reserve u/s 451C	Impairment Reserve	Equity attributable to owners of Holding Company	Non-controlling interest	Total of Other Equity
	General reserve	Capital reserve	Deferred employee compensation reserve	Securities premium	Retained earnings							
Balance as at 01 April 2019	501.50	9.42	10.39	980.28	(130.60)	-	44.22	0.02	-	1,415.23	80.45	1,495.68
Profit for the year	-	-	-	-	(295.53)	-	-	-	-	(295.53)	2.29	(293.24)
Other comprehensive income												
Re-measurement of defined benefit plans, net of tax	-	-	-	-	0.17	-	-	-	-	0.17	0.08	0.25
Realised/ Fair Value measurement of equity instruments, net of tax	-	-	-	-	-	(834.40)	-	-	-	(834.40)	1.42	(832.98)
Corporate dividend tax	-	-	-	-	(0.06)	-	-	-	-	(0.06)	-	(0.06)
Adjustment of transition of Ind AS 116	-	-	-	-	0.15	-	-	-	-	0.15	-	0.15
Impairment Reserve	-	-	-	-	(0.04)	-	-	-	0.04	-	-	-
Transfer to Special Reserve @ 20% U/s 451C	-	-	-	-	(1.60)	-	-	1.60	-	-	-	-
Share based payment expense	-	-	4.77	-	-	-	-	-	-	4.77	0.58	5.35
Forfeiture of warrant money	-	44.22	-	-	-	-	(44.22)	-	-	-	-	-
Balance as at 31 March 2020	501.50	53.64	15.16	980.28	(427.51)	(834.40)	-	1.62	0.04	290.33	84.82	375.15
Loss for the year	-	-	-	-	(94.48)	-	-	-	-	(94.48)	6.83	(87.65)
Other comprehensive income												
Re-measurement of defined benefit plans, net of tax	-	-	-	-	-	-	-	-	-	-	-	-
Realised/ Fair Value measurement of equity instruments, net of tax	-	-	-	-	-	213.32	-	-	-	213.32	0.14	213.46
Share based payment expense	-	-	2.66	-	-	-	-	-	-	2.66	0.29	2.95
Transfer to Special Reserve @ 20% U/s 451C	-	-	-	-	(2.36)	-	-	2.36	-	-	-	-
Acquisition of own shares	-	-	-	(17.64)	-	-	-	-	-	(17.64)	-	(17.64)
Balance as at 31 March 2021	501.50	53.64	17.82	962.64	(524.35)	(621.08)	-	3.98	0.04	394.19	92.08	486.27

\*Refer note - 17

\*\*Refer note - 18

The accompanying notes form an integral part of the consolidated financial statements

This is the consolidated statement of changes in equity referred to in our report of even date.

**For Agarwal Prakash & Co.**

Chartered Accountants

Firm's Registration Number.: 005975N

**Vikas Aggarwal**

Partner

Membership Number: 097848

Place : Gurugram

Date : 08 May 2021

**For and on behalf of the Board of Directors**

**Kubeir Khara**

Executive Director & CEO

[DIN:03498226]

**Priya Jain**

Company Secretary

**Ajit Kumar Mittal**

Director

[DIN:02698115]

**Saurabh Garg**

Chief Financial Officer

## 1. Nature of principal activities

Yaarii Digital Integrated Services Limited (formerly Indiabulls Integrated Services Limited) “the Holding Company”, was incorporated on 24 July 2007. The Holding Company’s registered office stands changed from M-62 and 63, First Floor, Connaught Place, New Delhi - 110001, India to Plot No. 448-451 Udyog Vihar, Phase-V Gurugram - 122016, Haryana, India with effect from 15 January 2019.

Pursuant to the Holding Company’s shareholders’ approval, at their AGM held on November 13, 2020, in order to create unique digital identity, through its digital platform “Yaarii”, of which the Holding Company has proprietary rights, and to charter right direction for its continuous focus around promoting digital financial and other solutions and given that Yaarii app, as a digital distribution platform, finds resonance as on date with lacs of customers across a range of financial products and to leverage on its brand identity to grow to next frontier, the name of the Holding Company stood changed from ‘Indiabulls Integrated Services Limited’ to ‘Yaarii Digital Integrated Services Limited’ with effect from November 25, 2020, upon receipt of fresh Certificate of Incorporation dated November 25, 2020, issued by the Registrar of Companies NCT of Delhi and Haryana.

Yaarii Digital Integrated Services Limited”, along with its subsidiaries is together referred to as “the Group” in the following notes.

The Group is primarily engaged in the businesses of digital platform, providing management and maintenance services, equipment hiring services, financial services, and certain other businesses.

## 2. General information & statement of compliance with Ind AS

These financial statements of the Group 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’)), as amended and other related provisions of the Act.

The Group has uniformly applied the accounting policies during the periods presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements for the year ended 31 March 2021 were authorized and approved for issue by the Board of Directors on 08 May 2021. The revision to financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of Companies Act, 2013

## 3. Basis of preparation

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Certain financial assets and financial liabilities are measured at fair value and are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable. Further, share based payments are also measured at fair value of the stock options.

## 4. Estimation of uncertainties relating to the global health pandemic from covid-19 (covid-19):

The Group has considered the possible effect that may result from the pandemic relating to COVID-19, The Group has made a detailed assessment of its liquidity position and of the recoverability and carrying values of its assets as at balance sheet date, however, the actual impact of Covid-19 pandemic on the Group’s results remains uncertain and dependent on spread of Covid-19 and steps taken by the Government to mitigate the economic impact and may differ from that estimated as at the date of approval of these financial statements.

## 5. Summary of significant accounting policies

The consolidated financial statements have been prepared using the significant accounting policies and measurement basis summarized below. These were used throughout all periods presented in the financial statements.

### a) Basis of consolidation

#### Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group has power over the investee and is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group has power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases. Statement of profit and loss (including other comprehensive income (‘OCI’)) of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of 31 March 2020.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains/ (losses) on transactions between group companies are eliminated. The accounting principles and policies have been consistently applied by the Group.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance (including each component of OCI) is attributed to the equity holders of the Holding Company and to the non-controlling interests basis the respective ownership interests and such balance is attributed even if this results in the non-controlling interests having a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

### b) Business combination

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred by the former owners of the acquired entity. Acquisition costs are generally recognized in the statement of profit and loss as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values.

Goodwill is initially measured as excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred and where exists clear evidence of underlying reasons of classifying business combinations as bargain purchase, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities.

### c) Property, plant and equipment (PPE)

#### *Recognition and initial measurement*

Properties plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013.

<b>Asset class</b>	<b>Useful life</b>
Building – temporary structure	1-3 years
Plant and equipment	12 – 15 years
Office equipment	5 years
Computers	3 – 6 years
Furniture and fixtures	10 years
Aircraft	20 years
Vehicles	8 years

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year.

#### *Capital work in progress*

Capital work-in progress excludes capital advances but includes property, plant and equipment under construction and not ready for intended use as on balance sheet date.

#### *De-recognition*

An item of property, plant and equipment initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference

between the net disposal proceeds and the carrying amount of the asset) is recognized in statement of profit and loss when the asset is derecognized.

**d) Intangible assets**

*Recognition and initial measurement*

Intangible assets (softwares) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

*Amortisation*

Intangible assets are amortized over the expected useful life from the date the assets are available for use, as mentioned below:

Asset class	Useful life
Computer software	3 to 4 years
Land – Leasehold	11 years (as per terms of agreement)

**e) Inventories**

Inventories are valued at cost or estimated net realizable value, whichever is lower. The cost of inventories is determined using the specific identification of their individual cost method and includes purchase price and all direct costs incurred in bringing the inventories to their present location and condition.

Land other than that transferred to real estate projects under development is valued at lower of cost or net realizable value.

Real estate properties (developed and under development) includes cost of land under development, internal and external development costs, construction costs, and development/construction materials, borrowing costs and related overhead costs and is valued at lower of cost or net realizable value.

Construction materials, stores and spares, tools and consumable are valued at lower of cost or net realisable value, on the basis of first-in first-out method.

Sculptures, paintings and graphics are valued at lower of cost or net realisable value, on the basis of first-in first-out method.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated necessary costs to make the sale.

**f) Revenue recognition**

Revenue is recognized when it is probable that the economic benefits will flow to the Group and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebate and taxes. The Group applies the revenue recognition criteria to each nature of the revenue transaction as set out below.

*Revenue from real estate projects*

Revenue from sale of properties is recognized when the performance obligations are essentially complete and credit risks have been significantly eliminated. The performance obligations are considered to be complete when control over the property has been transferred to the buyer i.e. offer for possession (possession request letter) of properties have been issued to the customers and substantial sales consideration is received from the customers.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring property to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

For each performance obligation identified, the Group determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. A receivable is recognised by the Group when the properties are handed over as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity’s performance and the customer’s payment.

The costs estimates are reviewed periodically and effect of any change in such estimate is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

### *Revenue from air transport services*

Revenue from air transportation services is recognised in the year in which the service has been rendered, and billed as per terms of contract / arrangements with customers, provided that collection is reasonably certain.

### *Sale of goods*

Revenue from the sale of the Group's LED lights and trading in machines is recognised when delivery has taken place and control of the goods has been transferred to the customer, and when there are no longer any unfulfilled obligations.

The customer obtains control of the goods when the significant risks and rewards of products sold are transferred to the customer, being at the point the goods are delivered to and accepted by the customer, according to the specific delivery terms that have been agreed with the customer.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any discounts, price concessions, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts, price concessions and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

No element of financing is deemed present as the sales are made with credit terms largely ranging between 30 days and 60 days depending on the specific terms agreed to with the customer concerned, which is consistent with market practice.

### *Revenue from equipment renting services*

Revenue from equipment renting services (including relevant manpower and supervision) is recognized when services is performed usually on a time proportion basis as per the terms of the contract. The Group collects applicable taxes on behalf of Statutory Authorities and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.

### *Rendering of Services*

Income from services of equipment renting and management and maintenance services rendered are recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

Interest income, expenses and other charges by financing activity segment

### *Interest income*

Group earns revenue primarily from giving loans. Revenue is recognized to the extent that it is probable that the economic benefits will flow to Group and can be reliably measured. Interest income is recognized using the effective interest method (EIR).

Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', Group calculates the interest to the extent recoverable. If the financial assets cures and is no longer credit-impaired, Group reverts to calculating interest income. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

### *Interest expense*

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

### *Dividend income*

Dividend income is recognized when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

Other charges & other interest

Additional interest is recognized when the interest is due and charged to the borrower.

### *Interest income, expenses and other charges*

Interest income

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Interest revenue is recognized using the effective interest method (EIR). The effective interest method

calculates the amortized cost of a financial instrument and allocates the interest income. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the gross carrying amount of the financial asset or liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group calculates the interest to the extent recoverable. If the financial assets cures and is no longer credit-impaired, the Group reverts to calculating interest income.

#### Interest expense

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

#### Other charges & other interest

Additional interest is recognized when the interest is due and charged to the borrower. Overdue interest is recognised on realization basis

Interest on delayed receipts, cancellation/forfeiture income and transfer fees from customers are recognized on accrual basis except in cases where ultimate collection is considered doubtful.

#### *Dividend income*

Dividend income is recognized at the time when right to receive the payment is established, which is generally when the shareholders of the investee party approve the dividend.

#### *Service revenue*

Income from real estate projects advisory services is recognized on accrual basis. Marketing and lease management income are accounted for when the underline contracts are duly executed, on accrual basis when the services are completed, except in cases where ultimate collection is considered doubtful.

#### *Revenue from sale of goods*

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods. The Group collects all relevant applicable taxes etc. on behalf of the Statutory Authorities and therefore, these are not economic benefits flowing to the Group. Hence they are excluded from revenue.

#### *Revenue from construction and advisory services*

Revenue from construction, advisory and other related services is recognized on an accrual basis.

#### *Income from sale of investment*

Profit on sale of investment is recognized on the date of its sale and is computed as excess of sale proceeds over its carrying amount as at the date of sale..

### **g) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

### **h) Impairment of non-financial assets**

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Group estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.



## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

### i) Foreign currency

#### *Functional and presentation currency*

The consolidated financial statements are presented in Indian Rupee ('INR' or '₹') which is also the functional and presentation currency of the Group.

#### *Transactions and balances*

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

### j) Financial instruments

#### **Financial assets**

#### *Initial recognition and measurement*

All financial assets are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

#### *Subsequent measurement*

i. Debt instruments at amortized cost – A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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 amortised cost using the effective interest rate (EIR) method.

ii. Equity instruments - All equity investments in scope of 'Ind AS 109 Financial Instruments' ('Ind AS 109') are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).

iii. Mutual funds - All mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

#### *De-recognition of financial assets*

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

#### **Financial liabilities**

#### *Initial recognition and measurement*

All financial liabilities are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

#### *Subsequent measurement – Amortized cost*

Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest method.

#### *Recognition and initial and subsequent measurement - fair value*

A financial liability is classified at fair value through profit and loss ('FVTPL') if it is designated as such upon initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains/losses, including any interest expense are recognised in statement of profit and loss

#### *De-recognition of financial liabilities*

A financial liability is de-recognized 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 de-recognition 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 and loss.

*Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**k) Impairment of financial assets**

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. When estimating the cash flows, the Group is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

*Trade receivables*

The Group applies simplified approach permitted by Ind AS 109, which requires lifetime expected credit losses to be recognized for trade receivables.

*Other financial assets*

For recognition of impairment loss on other financial assets, the Group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

**l) Income taxes**

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealized tax loss are recognized to the extent that it is probable that the underlying tax loss will be utilized against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity).

**m) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits, other short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

**n) Employee benefits**

*Defined contribution plan*

The Group's contribution to provident fund and employee state insurance schemes is charged to the statement of profit and loss or inventorized as a part of real estate project under development, as the case may be. The Group's contributions towards Provident Fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan.

#### *Defined benefit plan*

The Group has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognized in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gain/losses resulting from re-measurements of the liability are included in other comprehensive income.

#### *Other long term employee benefits*

The Group also provides benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

#### *Short-term employee benefits*

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

#### **o) Share based payments**

Share based compensation benefits are provided to employees via Employee Stock Option Plans (ESOPs). The employee benefit expense is measured using the fair value of the employee stock options and is recognized over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees will be allotted equity shares of the Holding Company.

#### **p) Provisions, contingent liabilities and contingent assets**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or,
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

#### **q) Earnings per equity share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### **r) Right of use assets and lease liabilities**

For any new contracts entered into on or after 01 April 2019, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

#### *Classification of leases*

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

#### *Recognition and initial measurement*

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

## *Subsequent measurement*

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

## s) **Significant management judgment in applying accounting policies and estimation uncertainty**

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

### *Significant management's judgments*

**Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized.

**Impairment of non-financial assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Impairment of financial assets** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

**Recoverability of advances/receivables** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

**Provisions** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However the actual future outcome may be different from this judgment.

### *Significant estimates*

**Revenue and inventories** – Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which further require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Group used the available contractual and historical information. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

**Useful lives of depreciable/amortizable assets** – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilization of assets.

**Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note - 6

#### 6A Property, plant and equipment

Particulars	All amount in ₹ crores, unless otherwise stated										
	Building	Plant & machinery equipment	Office Computers and fixtures	Furniture and fixtures	Freehold land	Vehicles	Leasehold Improvement	Aircrafts* (refer note-19)	Total	Capital Work-in-progress	
<b>Gross carrying amount (Refer (iii) below)</b>											
Balance as at 01 April 2019	0.03	235.78	0.72	2.81	21.03	-	29.65	-	116.22	406.24	-
Additions	-	3.02	0.72	1.72	0.32	-	1.90	1.28	-	8.96	-
Disposals/assets written off	-	(3.17)	-	-	(0.01)	-	(0.90)	-	(2.00)	(6.08)	-
Exchange differences#	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2020</b>	<b>0.03</b>	<b>235.63</b>	<b>1.44</b>	<b>4.53</b>	<b>21.34</b>	<b>-</b>	<b>30.65</b>	<b>1.28</b>	<b>114.22</b>	<b>409.12</b>	<b>-</b>
Additions	-	-	0.11	0.37	-	0.13	-	-	-	0.61	0.62
Disposals/assets written off	-	(4.81)	(0.16)	-	(0.08)	-	(1.29)	(0.31)	(114.22)	(120.87)	-
Exchange differences#	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>0.03</b>	<b>230.82</b>	<b>1.39</b>	<b>4.90</b>	<b>21.26</b>	<b>0.13</b>	<b>29.36</b>	<b>0.97</b>	<b>-</b>	<b>288.86</b>	<b>0.62</b>
<b>Accumulated depreciation</b>											
Balance as at 01 April 2019	0.03	70.85	0.48	1.56	18.85	-	6.75	-	21.03	119.55	-
Charge for the year	-	16.67	0.17	0.90	0.56	-	3.50	0.09	5.30	27.19	-
Adjustments for disposals	-	(1.61)	-	-	0.00	-	(0.78)	-	(0.54)	(2.93)	-
Exchange differences#	-	-	-	-	-	-	-	-	0.56	0.56	-
<b>Balance as at 31 March 2020</b>	<b>0.03</b>	<b>85.91</b>	<b>0.65</b>	<b>2.46</b>	<b>19.41</b>	<b>-</b>	<b>9.47</b>	<b>0.09</b>	<b>26.35</b>	<b>144.37</b>	<b>-</b>
Charge for the year	-	16.36	0.17	0.98	0.17	0.08	3.29	0.12	4.45	25.62	-
Adjustments for disposals	-	(3.00)	(0.03)	-	(0.01)	-	(1.35)	(0.03)	(31.28)	(35.70)	-
Exchange differences#	-	-	-	-	-	-	-	-	0.48	0.48	-
<b>Balance as at 31 March 2021</b>	<b>0.03</b>	<b>99.27</b>	<b>0.79</b>	<b>3.44</b>	<b>19.57</b>	<b>0.08</b>	<b>11.41</b>	<b>0.18</b>	<b>-</b>	<b>134.77</b>	<b>-</b>
<b>Net carrying value as at 31 March 2020</b>	<b>-</b>	<b>149.72</b>	<b>0.78</b>	<b>2.07</b>	<b>1.93</b>	<b>-</b>	<b>21.17</b>	<b>1.19</b>	<b>87.87</b>	<b>264.75</b>	<b>-</b>
<b>Net carrying value as at 31 March 2021</b>	<b>-</b>	<b>131.55</b>	<b>0.60</b>	<b>1.46</b>	<b>1.69</b>	<b>0.05</b>	<b>17.95</b>	<b>0.79</b>	<b>-</b>	<b>154.09</b>	<b>0.62</b>

# Represents foreign exchange loss/(gain) capitalised during the year and depreciation thereon.

(i) There is no restriction on title of the property, plant and equipment. None of the property, plant and equipment has been pledged as security.

(ii) There are no contractual commitments for the acquisition of property, plant and equipment.

All amount in ₹ crores, unless otherwise stated

\*Details of foreign exchange loss/(gain) on translation of long-term foreign currency borrowing capitalized and amortized during the year:

Particulars	Amount
<b>Exchange loss / (gain) capitalized</b>	
<b>As at 01 April 2019</b>	<b>44.26</b>
Recognised/ (reversed) during the year	-
<b>As at 31 March 2020</b>	<b>44.26</b>
Recognised/ (reversed) during the year	-
<b>As at 31 March 2021</b>	<b>44.26</b>
<b>Exchange loss / (gain) amortized</b>	
<b>As at 01 April 2019</b>	<b>4.83</b>
Amortized during the year	-
<b>As at 31 March 2020</b>	<b>4.83</b>
Amortized during the year	-
<b>As at 31 March 2021</b>	<b>4.83</b>
<b>Net block of exchange loss/(gain)</b>	
<b>As at 31 March 2021</b>	<b>39.43</b>
<b>As at 31 March 2020</b>	<b>39.43</b>

#### Revaluation of property, plant and equipment

The revalued property, plant and equipment consists of Aircrafts used in the business. The management determined that these constitute one class of asset under Ind AS 113, based on the nature, characteristics and risks of the property.

Fair value of the aircrafts was determined by using the market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for difference in the nature, location or condition of the specific property. As at the date of revaluation 01 April 2016, the aircrafts' fair values are based on valuations performed by independent valuers who has relevant valuation experience for similar assets valuation.

#### Information of revaluation model on aircrafts:

Particulars	Amount
<b>Balance as at 01 April 2019</b>	95.20
Adjustments for disposals	(2.00)
Depreciation	(5.31)
<b>Closing balance as at 31 March 2020</b>	<b>87.89</b>
Adjustments for disposals	-
Depreciation	-
<b>Closing balance as at 31 March 2021</b>	<b>87.89</b>

Under the previous GAAP, aircrafts were carried in the balance sheet on the basis of historical cost model. Had the same value of aircrafts being considered under Ind AS, the following would have been the respective carrying value of the aircrafts:

Particulars	31 March 2021	31 March 2020
<b>Cost</b>	-	287.37
Purchases	-	-
Accumulated Depreciation	-	65.82
<b>Net carrying Amount</b>	<b>-</b>	<b>221.55</b>

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### 6B Right to use Asset (Refer note - 39)

	Software	Total
<b>Gross carrying amount</b>		
Balance as at 01 April 2019	9.14	9.14
Additions	7.15	7.15
<b>Balance as at 31 March 2020</b>	<b>16.29</b>	<b>16.29</b>
Additions	1.12	1.12
Disposals/assets written off	(9.08)	(9.08)
<b>Balance as at 31 March 2021</b>	<b>8.33</b>	<b>8.33</b>
<b>Accumulated amortization</b>		
Balance as at 01 April 2019	-	-
Charge for the year	3.59	3.59
<b>Balance as at 31 March 2020</b>	<b>3.59</b>	<b>3.59</b>
Charge for the year	1.33	1.33
Adjustments for disposals	-	-
<b>Balance as at 31 March 2021</b>	<b>4.92</b>	<b>4.92</b>
<b>Net carrying value as at 31 March 2020</b>	<b>12.70</b>	<b>12.70</b>
<b>Net carrying value as at 31 March 2021</b>	<b>3.41</b>	<b>3.41</b>

### 6C Other intangible assets

	Software	Land - Leasehold	Total
<b>Gross carrying amount</b>			
Balance as at 01 April 2019	1.84	1.17	3.01
Additions	3.21	-	3.21
Disposals/assets written off	-	-	-
<b>Balance as at 31 March 2020</b>	<b>5.05</b>	<b>1.17</b>	<b>6.22</b>
Additions	1.39	-	1.39
Disposals/assets written off	-	-	-
<b>Balance as at 31 March 2021</b>	<b>6.44</b>	<b>1.17</b>	<b>7.61</b>
<b>Accumulated amortization</b>			
Balance as at 01 April 2019	0.36	0.42	0.78
Charge for the year	0.68	0.11	0.79
Adjustment for disposals	-	-	-
<b>Balance as at 31 March 2020</b>	<b>1.04</b>	<b>0.53</b>	<b>1.57</b>
Charge for the year	1.48	0.11	1.59
Adjustment for disposals	-	-	-
<b>Balance as at 31 March 2021</b>	<b>2.52</b>	<b>0.64</b>	<b>3.16</b>
<b>Net carrying value as at 31 March 2020</b>	<b>4.01</b>	<b>0.64</b>	<b>4.65</b>
<b>Net carrying value as at 31 March 2021</b>	<b>3.92</b>	<b>0.53</b>	<b>4.45</b>

### 6D Statement showing reconciliation of goodwill arising on consolidation of financial statements

Particulars	Amount
<b>Opening balance as on 01 April 2019</b>	<b>130.98</b>
Additions/ (Reversals) during the year*	(58.42)
<b>Balance as on 31 March 2020</b>	<b>72.56</b>
Additions/ (Reversals) during the year *	-
<b>Balance as on 31 March 2021</b>	<b>72.56</b>

\*The Group tests goodwill annually for impairment and has impaired goodwill to the extent of Nil (31 March 2020: ₹ 58.42 crores), to the extent there is no convincing evidence of the future cash flows of its investment in CGU.

Goodwill of ₹72.56 crores (31 March 2020: ₹ 72.56 crores) has been allocated to the group's business in India. The estimated value in use of this CGU is based on the future cash flows using a 8-10% annual growth rate for periods subsequent to the forecast period of five years and discount rate of 8%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonably probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

All amount in ₹ crores, unless otherwise stated

**Note - 7**

	31 March 2021	31 March 2020
<b>A Investments - non - current</b>		
<b>Investment in securities (quoted)</b>		
Investment in Equity Instruments (Investment in Equity Instruments designated through FVOCI) [31 March 2021: 2,44,27,670 shares; 31 March 2020: 2,44,27,670 shares] [Face value of ₹ 2/- each]	457.97	244.83
	457.97	244.83
Aggregate market value of quoted investments	<b>457.97</b>	<b>244.83</b>
<b>B Investments - current</b>		
<b>(i) Investment in mutual funds (quoted)</b>		
<b>(a) Indiabulls Liquid Fund - Direct Plan - Growth</b>	0.79	0.06
[7,175.589 (31 March 2020: 321.978) units, NAV: ₹ 2,006.261 (31 March 2020: ₹ 1,939.345) per unit]		
<b>(b) Indiabulls Saving Fund - Direct Plan - Growth</b>	-	0.01
[Nil (31 March 2020: 100) units, NAV: NA (31 March 2020: ₹1,116.045) per unit]		
<b>(c) Indiabulls Overnight Fund - Direct Plan - Growth</b>	-	3.09
[Nil (31 March 2020: 29,905.452) units, NAV: NA (31 March 2020: ₹ 1,036.618)]		
<b>Total of Investment in Mutual Funds</b>	-	<b>3.17</b>
<b>(ii) Investment in non-convertible debentures (quoted)</b>		
<b>(a) Dhani Loan and Services Limited (formerly Indiabulls Consumer Finance Limited (Face Value of ₹ 1,000 each) ISIN:INE614X07027</b>	90.50	243.23
[9,00,000 (31 March 2020: 23,50,000)units, NAV: ₹1005.511 (31 March 2020: ₹1035.001) per unit]		
Add: Interest Accrued on above	0.11	0.11
<b>(b) Indiabulls Consumer Finance Limited (Face Value of ₹ 1,000 each) ISIN: INE614X07217</b>	-	10.67
[Nil(31 March 2020: 1,00,000)units, NAV: NA (31 March 2020: ₹1,067.05 ) per unit]		
<b>(iii) Investment in Bonds (quoted)</b>		
Indiabulls Housing Finance Limited (Face Value of ₹ 1,000 each) ISIN: INE148I07GE8	25.43	25.82
[2,50,000 (31 March 2020: 2,50,000) units, NAV: ₹1,017.012 (31 March 2020: ₹1,032.80) per unit]		
Add: Interest Accrued on above	1.12	0.75

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

	31 March 2021	31 March 2020
(iv) Indiabulls Housing Finance Limited (Face Value of ₹ 1,000 each) [1,25,000 (31 March 2020: 1,25,000) units, NAV: ₹1,017.012 (31 March 2020: ₹1,018.021) per unit]	12.71	12.73
<b>Total of current investments</b>	<b>130.66</b>	<b>296.48</b>
<b>Aggregate book value of quoted investments</b>	<b>132.75</b>	<b>277.75</b>
<b>Aggregate market value of quoted investments</b>	<b>130.66</b>	<b>296.48</b>

### Note - 8

	31 March 2021	31 March 2020
<b>A Loans - Non-Current</b>		
<b>(Considered good - Unsecured unless otherwise stated)</b>		
Secured by tangible assets	47.05	172.00
Considered good - Unsecured	16.21	19.19
	<b>63.26</b>	<b>191.19</b>
Less: provision for impairment loss allowance	(0.20)	(0.44)
Security deposits		
Considered good - Unsecured	0.94	1.78
	<b>64.00</b>	<b>192.53</b>
<b>B Loans - Current</b>		
<b>(Considered good - Unsecured unless otherwise stated)</b>		
Secured by tangible assets	2.40	7.72
Considered good - Unsecured	0.86	0.72
	3.26	8.44
Less: provision for impairment loss allowance	(0.60)	(0.06)
-Interest accrued on above	1.19	2.05
Security deposits		
Considered good - Unsecured	3.64	4.04
Inter-corporate loans to other		
Considered good - Unsecured	234.55	103.00
-Interest accrued on above	13.01	4.55
	<b>255.05</b>	<b>122.02</b>

Note:

- All loans given to customers are secured/partly secured by :
  - Equitable mortgage of property and / or
  - Pledge of shares / debentures, units, other securities, assignment of life insurance policies and / or
  - Hypothecation of assets and /or
  - Hypothecation of assets and /or
  - Personal guarantee and /or
  - Negative lien and / or undertaking to create a security.
- The above loans are after de recognition of assets amounting to ₹ 101.90 crore (Previous year ₹ 41.51 crore) towards assignments deals.
- Allowance for credit risk calculated as per ECL principles.



All amount in ₹ crores, unless otherwise stated

**Note - 9**

	31 March 2021	31 March 2020
<b>A Other financial assets - non-current</b>		
(Considered good - Unsecured unless otherwise stated)		
Bank deposits with more than 12 months maturity*	0.21	0.13
EIS receivable**	6.57	1.96
	<b>6.78</b>	<b>2.09</b>
<b>B Other financial assets - current</b>		
(Unsecured, considered good)		
Loan to employees	-	0.00
Other receivables	1.08	2.11
EIS receivable**	3.70	0.91
	<b>4.78</b>	<b>3.02</b>

\*Bank deposit amounting to ₹ 0.21 crore (excluding accrued interest) (31 March 2020: ₹ 0.13 crore) have been lodged as security with government authorities, pledged against bank guarantees and letter of credits.

\*\* Under Ind AS, with respect to Assignment deals, the NBFC subsidiary has created an Excess Interest Spread (EIS) receivable, with corresponding credit to Statement of Profit and loss for the year, which has been computed by discounting EIS to present value.

**Note - 10**

	31 March 2021	31 March 2020
<b>Deferred tax assets, net</b>		
<b>Deferred tax asset arising on account of :</b>		
Property, plant and equipment, investment property and intangible assets - depreciation and amortisation	(0.00)	0.00
Preliminary expenses	-	0.00
Financial instruments - fair valuation	0.54	-
Deferred tax on acquisition of new step-down subsidiary	-	0.00
<b>Deferred tax liabilities arising on account of :</b>		
Minimum alternative tax credit entitlement	0.37	0.37
	<b>0.91</b>	<b>0.37</b>

Caption wise movement in deferred tax assets is as follows:

Particulars	01 April 2019	Recognised in Other Comprehensive Income	Recognised/ (reversed) in profit and loss	31 March 2020
<b>Assets</b>				
Property, plant and equipment, investment property and intangible assets - depreciation and amortisation	0.36	-	(0.36)	0.00
Preliminary expenses	0.01	-	(0.00)	0.00
ESOP Expenses	1.43	-	(1.43)	-
Deferred tax on acquisition of new step-down subsidiary	0.00	-	-	0.00
<b>Sub-Total</b>	<b>1.80</b>	<b>-</b>	<b>(1.79)</b>	<b>0.00</b>
Minimum alternative tax credit entitlement	5.96	-	(5.59)	0.37
<b>Total</b>	<b>7.76</b>	<b>-</b>	<b>(7.40)</b>	<b>0.37</b>

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

Particulars	31 March 2020	Recognised in Other Comprehensive Income	Recognised/ (reversed) in profit and loss	31 March 2021
<b>Assets</b>				
Property, plant and equipment, investment property and intangible assets - depreciation and amortisation	0.00	-	(0.00)	(0.00)
Preliminary expenses	0.00	-	(0.00)	-
Financial instruments - fair valuation	-	-	0.54	0.54
Deferred tax on acquisition of new step-down subsidiary	0.00	-	-	-
<b>Sub-Total</b>	<b>0.00</b>	<b>-</b>	<b>0.54</b>	<b>0.54</b>
Minimum alternative tax credit entitlement	0.37		0.00	0.37
<b>Total</b>	<b>0.37</b>	<b>-</b>	<b>0.54</b>	<b>0.91</b>

The Group has restricted the creation of deferred tax asset on unabsorbed business losses to the extent of ₹460.11 crores (31 March 2020: ₹365.90 crores) as there is no convincing evidence which demonstrate probability of realisation of deferred tax asset in the near future.

### Note - 11

	31 March 2021	31 March 2020
<b>Non-current tax assets, net</b>		
Advance income tax, including tax deducted at source (net of provisions)	18.82	28.75
	<b>18.82</b>	<b>28.75</b>

### Note - 12

	31 March 2021	31 March 2020
<b>A Other non-current assets</b>		
<b>(Unsecured, considered good)</b>		
Capital advance	0.00	0.02
Prepaid expenses	0.09	0.12
	<b>0.09</b>	<b>0.14</b>
<b>B Other current assets</b>		
<b>(Unsecured, considered good)</b>		
Advance to staff	0.01	0.07
Advance to suppliers/service providers	4.55	8.03
Prepaid expenses	0.96	2.28
Balances with statutory and government authorities	8.73	8.00
Advance for land (expected to get land)	300.00	300.00
Others	0.64	0.14
Capital advance	0.74	-
	<b>315.63</b>	<b>318.51</b>

## Note - 13

	31 March 2021	31 March 2020
<b>Inventories</b>		
Real estate properties - developed (at cost)		
Cost of developed properties	0.32	0.38
Stock of trading goods	1.08	1.52
Stores and spares	0.47	0.46
Stock of LED Lighting	8.75	11.12
Stock-in-trade (goods acquired for trading)	15.00	15.00
	<b>25.62</b>	<b>28.48</b>
Less : Impairment of Stock of LED Lighting (refer note-(b) below)	0.06	-
<b>Total Inventories</b>	<b>25.56</b>	<b>28.48</b>

### Note

(a) The above includes goods in transit as under:

Stock of LED Lighting	-	0.55
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(b) The Group follows suitable provisioning norms for writing down the value of Inventories towards slow moving, non-moving and surplus inventory. Provision for slow moving and non-moving stock in the current year is ₹ 0.06 Crore (31 March 2020: Nil).

## Note - 14

	31 March 2021	31 March 2020
<b>Trade receivables-current</b>		
Considered good - Unsecured*	83.00	81.00
Credit impaired	17.19	13.86
	100.19	94.86
Less : Impairment allowance for trade receivables - credit impaired	(17.19)	(13.86)
	<b>83.00</b>	<b>81.00</b>

\*It includes unbilled debtors during the year ended 31 March 2021 : ₹ 0.34 crore (31 March 2020: ₹ 0.00 crore).

No trade receivables are due from directors or other officers of the Group or any of them either severally or jointly with any other person. Further, no trade receivables are due from firms or private companies in which any director is a partner, a director or a member.

## Note - 15

	31 March 2021	31 March 2020
<b>Cash and cash equivalents</b>		
Cash on hand	0.12	0.16
Foreign currency on hand	0.00	0.00
Balances with banks		
In current accounts	26.32	10.14
In unclaimed dividend account*	-	0.05
	<b>26.44</b>	<b>10.35</b>

\*Unclaimed dividend account pertains to dividend not claimed by equity shareholders and the Holding Company does not have any right on the said money.

Further, during the financial year ended 31 March 2021, The Holding Company transferred the amount standing in credit of Unpaid Dividend Account to the Investor Education and Protection Fund as per Statutory Regulations.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note - 16

	31 March 2021	31 March 2020
<b>Other bank balances</b>		
Bank deposits*		
With maturity of more than three months and upto twelve months	1.02	1.07
	<b>1.02</b>	<b>1.07</b>

\*Bank deposit amounting to ₹ 0.99 crores (31 March 2020: ₹ 1.06 crores ) (excluding accrued interest) have been lien marked as a security for valued added tax registration with various states and pledged against bank guarantees and letter of credit.

### Note - 17

	31 March 2021		31 March 2020	
	Number	(₹ in crores)	Number	(₹ in crores)
<b>A Equity share capital</b>				
<b>i Authorised</b>				
Equity shares of face value of ₹2 each	400,000,000	80.00	400,000,000	80.00
	<b>400,000,000</b>	<b>80.00</b>	<b>400,000,000</b>	<b>80.00</b>
<b>ii Issued, subscribed and fully paid up</b>				
Equity share capital of face value of ₹2 each fully paid up	89,325,569	17.87	89,325,569	17.87
Less: Purchase of Treasury shares for grant/ exercise of SAR in Trust	1,754,327	0.36	-	-
	<b>87,571,242</b>	<b>17.51</b>	<b>89,325,569</b>	<b>17.87</b>
<b>iii Reconciliation of number and amount of equity shares outstanding at the beginning and at the end of the year</b>				
Equity shares				
Balance at the beginning of the year	89,325,569	17.87	89,325,569	17.87
Add: Issued during the year	-	-	-	-
Less: Purchase of Treasury shares for grant/ exercise of SAR in Trust	1,754,327	0.36	-	-
<b>Balance at the end of the year</b>	<b>87,571,242</b>	<b>17.51</b>	<b>89,325,569</b>	<b>17.87</b>

**iv** During the quarter ended 31 March 2021, the Holding Company, through its established trust "Surya Employee Welfare Trust" (formerly known as Indiabulls Integrated Employee Welfare Trust) ("Surya-EWT"); had in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 purchased its 17,54,327 Equity shares from the open market, for the implementation and administration of its employees benefit schemes. The face value of these shares have been deducted from the paid-up share capital of the Holding Company, and the excess of amount paid over face value for their acquisition have been adjusted in the other equity. Out of the acquired shares , 17,54,327 shares have been appropriated towards grant of Share Appreciations Rights (SARs) on 12 February 2021 to the employees of the Holding Company and its subsidiaries, as permitted.

**v** The Holding Company does not have any shares issued for consideration other than cash during the immediately preceding five years. The Holding Company did not buy back any shares during immediately preceding five years.

**vi** The details of shares reserved for issue under Employee Stock Option Scheme (ESOS)/ Stock Appreciation Rights (SAR) of the Holding Company are given in note - 46

All amount in ₹ crores, unless otherwise stated

**vii Rights, preferences and restrictions attached to equity shares**

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Holding Company. In the event of liquidation of the Holding Company, all preferential amounts, if any, shall be discharged by the Holding Company, the remaining assets of the Holding Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Holding Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

**viii Details of shareholder holding more than 5% share capital**

Name of the equity shareholder as on 31 March 2021	Number of shares
Jyeshta Infrastructure Private Limited	8,330,412
Kritikka Infrastructure Private Limited	8,553,576
Steadview Capital Mauritius Limited	8,253,187
Calleis Real Estate Private Limited	5,400,000
Calleis Constructions Private Limited	5,400,000
Calleis Properties Private Limited	5,400,000
Powerscreen Media Private Limited	5,400,000

Name of the equity shareholder as on 31 March 2020	Number of shares
Jyeshta Infrastructure Private Limited	8,330,412
Kritikka Infrastructure Private Limited	8,553,576
Steadview Capital Mauritius Limited	8,253,187
Calleis Real Estate Private Limited	5,400,000
Calleis Constructions Private Limited	5,400,000
Calleis Properties Private Limited	5,400,000
Powerscreen Media Private Limited	5,400,000

	31 March 2021		31 March 2020	
	Number	(₹ in crores)	Number	(₹ in crores)
<b>B Preference share capital</b>				
<b>i Authorised</b>				
Preference shares of face value of ₹10 each	30,000,000	30.00	30,000,000	30.00
	<b>30,000,000</b>	<b>30.00</b>	<b>30,000,000</b>	<b>30.00</b>

**Note - 18**

	31 March 2021	31 March 2020
<b>Other Equity</b>		
Reserves and Surplus		
General reserve	501.50	501.50
Capital reserve	53.64	53.64
Deferred employee compensation reserve	17.82	15.16
Securities Premium	962.64	980.28
Retained earnings	(524.35)	(427.51)
Special Reserve u/s 45IC	3.98	1.62
Impairment Reserve	0.04	0.04
	<b>1,015.27</b>	<b>1,124.73</b>

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### (i) Nature and purpose of other reserves

#### General reserve

Security premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013

#### Deferred employee compensation reserve

The reserve is used to recognized the expenses related to stock option issued to employees under Group's employee stock option plans.

#### Capital reserve

The Holding Company has issued share warrants in the earlier years. This reserve is created on account of forfeiture of share application money received on account of issuance of share warrants as share warrants holders did not exercise their rights.

#### General reserve

The Holding Company is required to create a general reserve out of the profits when the Holding Company declares dividend to shareholders.

#### Special reserve u/s 45IC

Special reserve as per section 45IC of Reserve Bank of India Act, 1934, every non-banking financial company shall create a reserve fund, the transfer therein a sum not less than 20% of its net profit every year as disclosed in the profit & loss account before any dividend is declared.

#### Impairment reserve

As per RBI circular no. RBI/2019-20/170, DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 the subsidiary has created impairment reserve for excess of provision between IRACP and ECL.

#### Share Warrant Money

The Holding Company has issued share warrants to certain promoter group companies and taken advance at 25% of the exercise price as on grant date. As per the terms of issue of these warrants, and upon payment of exercise price as reduced by 25% upfront money paid at the time of allotment of warrants, the warrant holders were entitled to apply for and obtain allotment of one equity share of ₹2 each fully paid up of the Holding Company against each warrant held, within a period of eighteen months from the date of allotment of the said warrants. Upon conversion, the said share warrant money gets adjusted with the equity share capital and securities premium as per the warrant grant terms.

### Note - 19

	31 March 2021		31 March 2020	
<b>A Borrowings - non-current</b>				
<b>Secured borrowings:</b>				
10.50% p.a. Redeemable, Non-Convertible Debentures		49.56		-
Face value of Rs. 10,00,000 each (refer below note vi)				
<b>Term loans</b>				
From banks	31.64		278.90	
Less: current maturities of long-term borrowings(refer note - 25)	(15.68)	15.96	(259.10)	19.80
From others	7.22		10.53	
Less: current maturities of long-term borrowings (refer note - 25)	(4.77)	2.45	(4.45)	6.08
<b>Total of borrowings-non-current</b>		<b>67.97</b>		<b>25.88</b>

All amount in ₹ crores, unless otherwise stated

**Repayment terms (including current maturities) and security details**

Name of the bank	As at	Loan outstanding	Repayment terms	Nature of Security
Kotak Mahindra Bank Limited	31 March 2021	1.31	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2020	2.12		
ICICI Bank Limited	31 March 2021	2.55	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2020	3.02		
HDFC Bank Limited	31 March 2021	4.68	48 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2020	-		
	31 March 2021	2.28	30 equated monthly instalment from date of disbursal.	
	31 March 2020	4.07		
	31 March 2021	0.24	37 equated monthly instalment from date of disbursal.	
	31 March 2020	0.39		
31 March 2021	15.94	47 equated monthly instalment from date of disbursal.		
31 March 2020	18.16			
Axis Bank Limited	31 March 2021	4.39	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2020	5.75		
Yes Bank Limited	31 March 2021	1.39	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2020	1.81		
*Yes Bank Limited	31 March 2021	-	Payable at the end of 2 years from date of disbursal	Secured by Hypothecation of Assets being financed.
	31 March 2020	243.58	Payable at the end of 3 years from date of disbursal	
SREI Equipment Finance Limited	31 March 2021	6.08	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2020	10.53		

**Other disclosures for borrowings:**

**(i) Terms of NCD**

One of the step-down subsidiaries of the Holding Company, namely Indiabulls Rural Finance Private Limited ( "Subsidiary Company"), has privately placed 10.50 % per annum secured, redeemable, Non-Convertible Debentures of the face value of Rs.10,00,000 each, for cash aggregating to Rs. 50 crores which was listed on 07 July 2020. The NCD is repayable at the end of three years on 26 June 2023 and annual interest payment coupons is payable on 26 June every year.

"NCD is secured by a first ranking pari passu charge on the financial and non-financial assets (including investments) of the Subsidiary Company, both present and future; and on present and future loan assets of the Subsidiary Company, including all monies receivable for the principal amount and interest thereon.

The transaction cost of NCD was included in initial recognition, and amount of borrowing is recognised as interest expense over the term of NCD using the effective interest rate method."

**(ii)** The Group has not defaulted on any loans payable during the year.

**(iii)** No borrowing cost has been capitalised in Property, plant and equipments and Other intangible assets.

**(iv)** \*Secured by exclusive charge by way of hypothecation on the aircraft being financed, assignment of insurance policy, exclusive charge over receivables arising from the Bombardier Global 5000, under escrow mechanism, exclusive charge by way of assignment over rights, titles, interest etc. and letter of comfort by Indiabulls Real Estate Limited. The entire loan is to be repaid on June 2020.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

	31 March 2021	31 March 2020
<b>B Borrowings-current</b>		
<b>Secured borrowings:</b>		
Working capital loan from bank	-	9.34
<b>Unsecured borrowings:</b>		
Loans and advances from others*	239.50	829.08
	<b>239.50</b>	<b>838.42</b>

\*Loans and advances from others are repayable on demand

### Repayment terms (including current maturities) and security details

Name of the bank	As at	Loan outstanding	Repayment terms	Nature of Security
RBL Bank Limited (working capital facility)	31 March 2021	-	Repayable within 6 months from the date of disbursement	Charge on all current assets includes book debts, inventory and others assets (both present and future) of the respective borrower Company and its subsidiary other than those assets exclusively charged to other lenders.
	31 March 2020	9.34		

### Note - 20

#### Lease Liabilities (refer note-39)

	31 March 2021	31 March 2020
<b>A Non-current</b>	3.52	10.02
<b>B Current</b>	0.39	3.29
	<b>3.91</b>	<b>13.31</b>

During the financial year 2020-21, the said leases for office premises were terminated between the Company and the lessor.

### Note - 21

	31 March 2021	31 March 2020
<b>A Provisions - non-current</b>		
Provision for employee benefits		
Gratuity	2.39	2.50
Compensated absences	1.45	1.83
Provision for warranties of LED Lighting*	0.49	0.36
	<b>4.33</b>	<b>4.68</b>
<b>B Provisions - current</b>		
Provision for employee benefits		
Gratuity	0.03	0.03
Compensated absences	0.03	0.05
	<b>0.06</b>	<b>0.08</b>



All amount in ₹ crores, unless otherwise stated

\*Details of warranty obligation on LED Lights sold:

	31 March 2021	31 March 2020
(a) the carrying amount at the beginning of the year	-	-
(b) additional provisions made during the year, including increases to existing provisions	2.39	2.50
(c) amounts used, that is incurred and charged against the provision, during the year	-	-
(d) unused amounts reversed during the year	1.45	1.83
(e) the carrying amount at the end of the year	0.49	0.36

**Note - 22**

	31 March 2021	31 March 2020
<b>Deferred tax liabilities, net</b>		
<b>Deferred tax liabilities/ assets arising on account of :</b>		
Depreciation and amortisation	0.28	0.17
Provision of employee benefits	(0.13)	(0.17)
Financials assets at amortised cost	1.85	0.09
Other adjustments	0.11	-
Fair valuation of financial instruments	-	2.86
	<b>2.11</b>	<b>2.95</b>

	01 April 2019	Recognised in Other Comprehensive Income	Recognised in profit and loss	31 March 2020
<b>Liabilities</b>				
Depreciation and amortisation	-	-	(0.17)	0.17
Provision of employee benefits	-	-	0.17	(0.17)
Financials assets at amortised cost	-	-	(0.09)	0.09
Other adjustments	-	-	-	-
Fair valuation of financial instruments	-	-	(2.86)	2.86
<b>Total</b>	-	-	<b>(2.95)</b>	<b>2.95</b>

	01 April 2020	Recognised in Other Comprehensive Income	Recognised in profit and loss	31 March 2021
<b>Liabilities</b>				
Depreciation and amortisation	0.17	-	(0.11)	0.28
Provision of employee benefits	(0.17)	-	(0.04)	(0.13)
Financials assets at amortised cost	0.09	-	(1.76)	1.85
Other adjustments	-	-	(0.11)	0.11
Fair valuation of financial instruments	2.86	-	2.86	-
<b>Total</b>	<b>2.95</b>	-	<b>0.84</b>	<b>2.11</b>

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note - 23

	31 March 2021	31 March 2020
<b>Other liabilities - current</b>		
Payable to statutory authorities	4.98	11.36
Advance from customers	2.14	1.05
Temporary overdrawn balance	-	0.09
Other liabilities	0.03	-
	<b>7.15</b>	<b>12.50</b>

### Note - 24

	31 March 2021	31 March 2020
<b>Trade payables - current</b>		
Due to micro and small enterprises*	15.36	9.40
Due to others	22.06	22.43
	<b>37.42</b>	<b>31.83</b>

#### \* Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):

Particulars	31 March 2021	31 March 2020
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	15.36	9.64
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	Nil	Nil
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year	0.22	0.24
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	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 Group.

All amount in ₹ crores, unless otherwise stated

**Note - 25**

	31 March 2021	31 March 2020
<b>Other financial liabilities - current</b>		
Current maturities of non-current secured borrowings:		
from banks and financial institutions	20.45	263.55
Interest accrued but not due on borrowings:		
Non-convertible debentures	4.00	-
On other loans	0.24	55.33
On term loan from banks	0.20	7.33
Security deposits	2.48	1.21
Loans repayable on loan assignment	4.32	2.25
Interest accrued but not due on loan assignment	0.42	0.29
Temporary Book Overdraft*	699.21	-
Unpaid dividend on equity shares**	-	0.05
Expenses payable to others	15.55	22.40
	<b>746.87</b>	<b>352.41</b>

\*As on 31 March 2021, the Group has received a sanction of loan amount of ₹ 890 Crores, which was in the process of disbursal from the lender. Basis the sanction letter, the Company had issued a cheque of ₹ 699.21 Crores to the already existing lender in books and received No dues Certificate for the same as on 31 March 2021.

\*\* During the financial year ended 31 March 2021, the Company transferred the amount standing in credit of Unpaid Dividend Account to the Investor Education and Protection Fund as per Statutory Regulations. Further, in respect of amount as mentioned under section 125 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2021 and 31 March 2020.

**Note - 26**

	31 March 2021	31 March 2020
<b>Current tax liabilities, net</b>		
Provision for income tax	12.74	9.22
	<b>12.74</b>	<b>9.22</b>

**Note - 27**

	31 March 2021	31 March 2020
<b>Revenue from operations</b>		
Revenue from real estate project	0.10	-
Revenue from management and maintenance services*	37.89	24.75
Revenue from equipment renting services	46.22	75.37
Revenue from LED lighting	50.16	68.24
Revenue from trading of scrap and others	0.58	5.06
Revenue from air transportation services	0.22	12.89
Revenue from art gallery	-	-
Pilot hiring income	-	0.02
Interest on loans	20.86	32.66
<b>Other operating income</b>		
Interest Spread income on pool loan	10.56	3.11
Referral Commission	0.00	0.03
Processing fee	1.73	3.18
Dividend received	-	0.11
Service fee on pool loan	0.14	0.01
Others	-	0.04
	<b>168.46</b>	<b>225.47</b>

\*It includes unbilled revenue during the year ended 31 March 2021 : ₹ 0.34 crore (31 March 2020: ₹ 0.00 crore).

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note - 28

	31 March 2021	31 March 2020
<b>Other income</b>		
Dividend Income on mutual funds	-	0.21
Dividend on equity shares	-	34.72
Interest income	19.11	18.13
Interest on income tax refund	0.94	1.56
Marked to market income on forward contract	-	-
Interest income on commercial papers	-	0.45
Interest income on non convertible debentures	25.01	23.88
Derogation of lease liability	0.08	-
Interest Income on Bonds	3.29	1.52
Finance Income	0.64	0.00
Profit on redemption of investments	1.27	8.19
Profit on fair valuation of financial instruments	0.00	16.98
Profit on sale of property, plant and equipment	27.07	14.33
Realised foreign exchange gain	0.01	0.00
Miscellaneous income	0.16	0.24
Liabilities written back	0.97	1.07
Excess Provision written back	0.21	-
Other Income	-	1.28
	<b>78.76</b>	<b>122.56</b>

### Note - 29

	31 March 2021	31 March 2020
<b>Cost of revenue</b>		
Cost of LED Lighting and services	44.49	51.93
Property management and assets maintenance services	27.71	28.00
Cost of equipment renting services	16.56	31.86
<b>Aviation Services</b>		
Professional charges	0.12	0.75
Travelling and conveyance expenses	0.32	0.81
Power and fuel expenses	0.63	5.29
Aircraft maintenance charges	8.47	6.84
Crew accommodation charges	0.16	1.01
Landing and handling charges	1.44	3.50
Navigation and flight planning charges	0.05	0.76
Subscription charges	0.84	0.75
Catering and Uniform Expenses	0.03	0.15
Hire Charges	1.10	-
Training expenses	0.45	1.14
<b>(Increase)/decrease in inventory of finished goods</b>		
Opening stock	15.00	15.00
Closing stock	(15.00)	(15.00)
<b>For real estate</b>		
<b>(Increase) / decrease in real estate inventory</b>		
Opening stock	0.39	0.38
Closing stock	(0.32)	(0.38)
	<b>102.44</b>	<b>132.78</b>

All amount in ₹ crores, unless otherwise stated

**Note - 30**

	31 March 2021	31 March 2020
<b>Employee benefits expenses</b>		
Salaries and wages	36.83	57.34
Bonus and ex-gratia	0.83	0.45
Gratuity and compensated absences	0.75	1.80
Contribution to provident fund and other funds	0.42	0.72
Staff welfare expenses	0.64	1.29
Share based payment expenses (refer note 43)	2.96	5.28
	<b>42.43</b>	<b>66.88</b>

**Note - 31**

	31 March 2021	31 March 2020
<b>Finance costs</b>		
Bank guarantee charges and commission	0.10	0.93
Interest on micro enterprises and small enterprises	0.03	0.18
Interest on finance lease	0.60	1.14
Interest expense	122.73	122.52
Interest expense on taxation	1.16	4.88
	<b>124.62</b>	<b>129.65</b>

**Note - 32**

	31 March 2021	31 March 2020
<b>Depreciation and amortisation expenses</b>		
Property, plant and equipment	26.10	27.75
Other intangible assets	1.59	0.79
Right to use Asset	1.33	3.59
	<b>29.02</b>	<b>32.13</b>

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note - 33

	31 March 2021	31 March 2020
<b>Other expenses</b>		
Advertisement expenses	1.18	5.05
Bank charges	0.05	0.06
Auditor's remuneration* (refer note - (i) below)	0.65	0.59
Books and periodicals	-	0.00
Communication expenses	0.26	0.65
Director sitting fees (Paid to Independent Directors)	0.35	0.20
Corporate social responsibility expenses (refer note - (ii) below)	0.65	0.72
Insurance expenses	1.63	1.72
Legal and professional charges	1.41	2.66
Loss on sale /written off of property, plant and equipment	5.23	0.01
Loss on sale of investment	0.01	0.00
Power and fuel expenses	0.01	0.02
Printing and stationery	0.08	0.07
Rates and taxes	1.08	2.33
Foreign exchange losses- realized	0.75	-
Rent expenses	0.49	0.22
Repairs and maintenance		
- Buildings	0.03	0.05
- Vehicles	0.01	0.05
- Others	0.09	0.15
Brokerage and marketing expenses	-	0.00
Security expenses	0.03	0.08
Bad debts written off	0.00	-
Software expenses	-	0.00
Traveling and conveyance expenses	1.35	4.58
Miscellaneous expenses	1.37	1.66
Impairment of Goodwill	-	58.42
Customer incentive and other charges	0.23	0.00
Expense on fair valuation of Bonds	2.69	-
Loss on derivatives trading	-	171.91
Selling and credit verification cost	-	1.21
Provision for impairment on financial assets	3.69	0.74
Warranty expenses	0.13	0.18
Share issue expenses	-	-
	<b>23.45</b>	<b>253.33</b>
*Excluding taxes		
<b>(i) Details of auditor's remuneration</b>		
<b>Auditor's remuneration</b>		
Audit fee	0.59	0.53
Others	0.06	0.06
	<b>0.65</b>	<b>0.59</b>

All amount in ₹ crores, unless otherwise stated

(ii) Corporate social responsibility expenses

(a) Gross amount required to be spent by the Group during the year is ₹ 0.65 crores (31 March 2020: ₹ 0.72 crores).

(b) Amount spent during the year on:

Particulars	For the year ended	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	31 March 2021	-	-	-
	31 March 2020	-	-	-
(ii) On purposes other than (i) above	31 March 2021	0.65	-	0.65
	31 March 2020	0.72	-	0.72

Note - 34

	31 March 2021	31 March 2020
<b>Income tax</b>		
<b>Tax expenses comprises of:</b>		
Current tax (including earlier years)	14.34	17.18
Deferred tax charge/(credit)	(1.43)	9.26
<b>Income tax expenses reported in the statement of profit and loss</b>	<b>12.91</b>	<b>26.44</b>

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Group at 25.168% (31 March 2020: 25.168%) and the reported tax expense in statement of profit and loss are as follows:

	31 March 2021	31 March 2020
<b>Reconciliation of tax expense and the accounting profit multiplied by India's tax rate</b>		
Accounting loss before income tax	(74.74)	(266.74)
At statutory income tax rate	-	-
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Tax impact of expenses with temporary difference	(32.85)	(0.60)
Tax impact on income taxable at the time of its realisation	0.56	7.42
Tax impact of exempted income	0.13	(0.03)
Earlier year tax expense	0.16	2.56
Tax impact of income chargeable at different rate	0.03	-
Tax impact of expenses which will never be allowed	1.09	0.56
Tax impact of on unabsorbed losses	27.20	2.31
Others	16.59	14.22
<b>Income tax expense</b>	<b>12.91</b>	<b>26.44</b>

Note - 35

Earnings per share (EPS)

The Group's Earnings per Share ("EPS") is determined based on the net profit attributable to the shareholders of the Holding Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

The following reflects the income and share data used in the basic and diluted EPS computation

	31 March 2021	31 March 2020
<b>Loss attributable to equity holders for basic earnings per share</b>	<b>(94.48)</b>	<b>(295.53)</b>
<b>Loss attributable to equity holders for diluted earnings per share</b>	<b>(94.48)</b>	<b>(295.53)</b>
Weighted average number of equity shares for basic earnings per share	89,325,569	89,325,569
Add: Effects of dilution	-	-
Weighted average number of equity shares adjusted for diluted earnings per share	<b>89,325,569</b>	<b>89,325,569</b>
<b>Earnings per equity share of face value ₹ 2/- each</b>		
(1) Basic (₹)	(10.58)	(33.08)
(2) Diluted (₹)	(10.58)	(33.08)

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note - 36

#### Fair value measurements

##### (i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the financial statements 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:

**Level 1:** quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** unobservable inputs for the asset or liability.

##### (ii) Financial assets measured at fair value

31 March 2021	Level 1	Level 2	Level 3	Total
<b>Financial instruments at FVTPL</b>				
Mutual funds	0.79	-	-	0.79
Non-convertible debentures	90.61	-	-	90.61
Bonds	39.26	-	-	39.26
Commercial paper	-	-	-	-
<b>Total financial assets</b>	<b>130.66</b>	<b>-</b>	<b>-</b>	<b>130.66</b>

##### Financial assets measured at fair value

31 March 2020	Level 1	Level 2	Level 3	Total
<b>Financial instruments at FVTPL</b>				
Mutual funds	3.17	-	-	3.17
Non-convertible debentures	254.01	-	-	254.01
Bonds	39.29	-	-	39.29
<b>Total financial assets</b>	<b>296.47</b>	<b>-</b>	<b>-</b>	<b>296.47</b>

##### (iii) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include -

- (i) Use of net asset value for mutual funds on the basis of the statement received from investee party.
- (ii) Unit price of bonds/non-convertible debentures on the last trading day of the respective financial year as per the Fixed Income Money Market and Derivatives Association of India (FIMMDA) guidelines.
- (iii) Unit price of commercial papers on the last trading day of the respective financial year in secondary market.



All amount in ₹ crores, unless otherwise stated

**Note - 37**

**Financial risk management**

**i) Financial instruments by category**

	31 March 2021			31 March 2020		
	FVTPL*	FVOCI#	Amortised cost	FVTPL*	FVOCI#	Amortised cost
<b>Financial assets</b>						
Investments						
Mutual funds	0.79	-	-	3.17	-	-
Non-convertible debentures	90.61	-	-	254.01	-	-
Bonds	39.26	-	-	39.29	-	-
Shares		457.97	-	-	244.83	-
Trade receivables	-	-	83.00	-	-	81.00
Loans	-	-	314.47	-	-	308.73
Cash and cash equivalents	-	-	26.44	-	-	10.35
Other bank balances	-	-	1.02	-	-	1.07
Security deposits	-	-	4.58	-	-	5.82
Other financial assets	-	-	11.56	-	-	5.11
<b>Total financial assets</b>	<b>130.66</b>	<b>457.97</b>	<b>441.07</b>	<b>296.47</b>	<b>244.83</b>	<b>412.08</b>

	31 March 2021			31 March 2020		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial liabilities</b>						
Borrowings (including interest accrued)	-	-	328.36	-	-	1,190.51
Lease Liabilities	-	-	3.91	-	-	13.31
Trade payables	-	-	37.42	-	-	31.83
Security deposits	-	-	2.48	-	-	1.21
Other financial liabilities	-	-	20.29	-	-	24.99
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>392.46</b>	<b>-</b>	<b>-</b>	<b>1,261.85</b>

\* These financial assets are mandatorily measured at fair value.

**ii) Financial instruments measured at amortised cost**

For amortised cost instruments, carrying value represents the best estimate of fair value except for long-term financial assets.

**iii) Risk Management**

The Group's activities expose it to market risk, liquidity risk and credit risk. The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. 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.

**(A) Credit risk**

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

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### a) Credit risk management

#### i) Credit risk rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
A: Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, loans, security deposits, investments(short -term) and other financial assets	12 month expected credit loss/Life time expected credit loss
B: Moderate Credit risk	Loan and other financial assets	12 month expected credit loss
C: High credit risk	Trade receivables	Life time expected credit loss of fully provided for

Based on business environment in which the Group 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, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group 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.

#### Assets under credit risk –

Credit rating	Particulars	31 March 2021	31 March 2020
A: Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, loans, security deposits, investments(short -term) and other financial assets	571.73	708.55
C: High credit risk	Trade receivables	17.19	13.86

#### ii) Concentration of financial assets

The Group's principal business activities are real estate project advisory, construction and development of real estate projects and advisory services, aviation services, maintenance and management services, equipment hiring services, and all other related activities. The Group's outstanding receivables are for real estate project and advisory services, aviation services, maintenance and management services, equipment hiring services. Loans and other financial assets majorly represents deposits given for business purposes.

### b) Credit risk exposure

#### Provision for expected credit losses

The Group provides for 12 month expected credit losses for following financial assets –

#### As at 31 March 2021

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	26.44	-	26.44
Other bank balances	1.02	-	1.02
Trade receivables	100.19	17.19	83.00
Loans	315.27	0.80	314.47
Security deposit	4.58	-	4.58
Other financial assets	11.56	-	11.56

All amount in ₹ crores, unless otherwise stated

**As at 31 March 2020**

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	10.35	-	10.35
Other bank balances	1.07	-	1.07
Trade receivables	81.59	0.59	81.00
Loans	309.23	0.50	308.73
Security deposit	5.82	-	5.82
Other financial assets	5.11	-	5.11

**Expected credit loss for trade receivables under simplified approach**

The Group considers provision for lifetime expected credit loss. Given the nature of business operations, the Group's receivables has low credit risk. Based upon historical loss experience and forward looking information, the Group has provided expected credit loss in relation to receivables from air transportation services.

Reconciliation of loss allowance	Trade receivables
<b>Loss allowance as on 01 April 2019</b>	<b>13.27</b>
Impairment loss recognised during the year	0.59
<b>Loss allowance as on 31 March 2020</b>	<b>13.86</b>
Impairment loss recognised during the year	3.33
<b>Loss allowance as on 31 March 2021</b>	<b>17.19</b>

**(B) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

**Maturities of financial liabilities**

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2021	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Non-derivatives</b>					
Borrowings (including accrued interest)	309.95	13.64	3.76	1.01	328.36
10.5%p.a., redeemable Non-Convertible Debentures	-	-	49.56	-	49.56
Trade payable	37.42	-	-	-	37.42
Security deposits	2.48	-	-	-	2.48
Other financial liabilities	20.29	-	-	-	20.29
<b>Total</b>	<b>370.14</b>	<b>13.64</b>	<b>53.32</b>	<b>1.01</b>	<b>438.11</b>

31 March 2020	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Non-derivatives</b>					
Borrowings (including accrued interest)	1,164.62	18.63	7.20	0.06	1,190.51
Trade payable	31.83	-	-	-	31.83
Security deposits	1.21	-	-	-	1.21
Other financial liabilities	24.99	-	-	-	24.99
<b>Total</b>	<b>1,222.65</b>	<b>18.63</b>	<b>7.20</b>	<b>0.06</b>	<b>1,248.54</b>

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### (C) Market risk

#### (i) Interest rate risk

The Group fixed rate borrowing are 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.

The Group's variable rate borrowing is subject to interest rate risk. Below is the overall exposure of the borrowing:

Particulars	31 March 2021	31 March 2020
Fixed rate borrowing	327.92	1,118.51
Variable rate borrowing	-	9.34
<b>Total borrowings</b>	<b>327.92</b>	<b>1,127.85</b>

#### Sensitivity

The Group's variable rate borrowing is subject to interest rate risk. Below is the overall exposure of the borrowing:

Particulars	31 March 2021	31 March 2020
Interest rates - increase by 1% (31 March 2020 : 1%)	-	(0.09)
Interest rates - decrease by 1% (31 March 2020 : 1%)	-	0.09

#### (ii) Price Risk

The Group exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments in equity securities, the Group diversifies its portfolio of assets

#### Sensitivity

The Group's variable rate borrowing is subject to interest rate risk. Below is the overall exposure of the borrowing:

Particulars	31 March 2021	31 March 2020
<b>Price sensitivity</b>		
<b>Mutual fund</b>		
Price increase by (2%) - FVTPL instrument (31 March 2020: 2%)	0.02	0.06
Price decrease by (2%) - FVTPL instrument (31 March 2020: 2%)	(0.02)	(0.06)
<b>Non-convertible debentures</b>		
Price increase by (2%) - FVTPL instrument (31 March 2020: 2%)	1.81	5.08
Price decrease by (2%) - FVTPL instrument (31 March 2020: 2%)	(1.81)	(5.08)
<b>Bonds</b>		
Price increase by (2%) - FVTPL instrument (31 March 2020: 2%)	0.76	0.52
Price decrease by (2%) - FVTPL instrument (31 March 2020: 2%)	(0.76)	(0.52)
<b>Shares</b>		
Price increase by (2%) - FVTPL instrument (31 March 2020: 2%)	9.16	4.90
Price decrease by (2%) - FVTPL instrument (31 March 2020: 2%)	(9.16)	(4.90)

All amount in ₹ crores, unless otherwise stated

**(iii) Foreign exchange risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Indian Rupee is the Group's functional currency. As a consequence, the Group's results are presented in Indian Rupee and exposures are managed against Indian Rupee accordingly. The Group has very limited foreign currency exposure mainly due to incurrance of some expenses. The Group may use foreign exchange option contracts or forward contracts towards operational exposures resulting from changes in foreign currency exchange rates exposure. These foreign exchange contracts, carried at fair value, may have varying maturities depending upon the primary host contract requirement. The Group manages its foreign currency risk by hedging appropriate percentage of its foreign currency exposure, as approved by the Board as per established risk management policy.

**Foreign currency risk exposure:**

Particulars	Currency	31 March 2021		31 March 2020	
		INR	Foreign currency	INR	Foreign currency
Trade payables	USD	0.01	1,590.39	2.92	388,463.34
	EUR	0.01	1,700.65	0.00	600.73
	GBP	0.96	95,029.17	-	-
Advances	USD	0.55	75,835.50	0.18	24,314.98

**Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Currency	Exchange rate increase by 1%		Exchange rate decrease by 1%	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
Trade payables	USD	(0.00)	(0.03)	0.00	0.03
	EUR	(0.00)	(0.00)	0.00	0.00
	GBP	(0.01)	-	0.01	-
Advances	USD	0.01	0.00	(0.01)	(0.00)

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note - 38

#### Segment reporting

##### (A) General information

An operating segment is a component of a Group that engages in business activities from which it earns revenue and incurs expenses and for which separate financial information is available. The Group has four operating and reportable segments which are Group's strategic business units. These operating segments are monitored by Group's Chief Financial decision maker to assess performance and evaluate strategic decisions.

(i) The Group's primary business segments are reflected based on principal business activities carried on by the Group.

The Group operates in four reportable business segments

- (i) Management and maintenance services
- (ii) Equipment Hiring Services
- (iii) LED Lighting
- (iv) Financing and related activities.

\*Other non-reportable segments have been shown under others.

(ii) The Group operates solely in one Geographic segment namely "Within India" and hence no separate information for Geographic segment wise disclosure is required.

(iii) Revenues and expenses directly attributable to segments are reported under each reportable segment. All other revenue and expenses which are not attributable or allocable to segments have been disclosed as unallocable revenue and expenses respectively. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

##### (B) Segment information

###### Year ended 31 March 2021

Particulars	Management and maintenance services	Equipment renting services	LED Lighting	Financing and related activities	Others*	Total of segments	Adjustments and eliminations	Consolidated
<b>Revenue</b>								
External customers	37.96	46.73	50.16	33.28	0.33	168.46	-	168.46
Inter - segment	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>37.96</b>	<b>46.73</b>	<b>50.16</b>	<b>33.28</b>	<b>0.33</b>	<b>168.46</b>	-	<b>168.46</b>
Segment expenses	31.78	46.41	62.27	17.56	7.35	165.37	-	165.37
Segment result	6.18	0.32	(12.11)	15.72	(7.02)	3.09	-	3.09
Segment assets	25.30	196.15	27.77	160.58	320.43	730.23	-	730.23
Segment liabilities	18.12	45.77	27.18	67.39	1.84	160.30	-	160.30
<b>Other disclosures</b>								
Capital expenditure	-	0.74	-	1.56	1.04	3.34	-	3.34
Non-cash expenditure other than depreciation	-	0.09	0.25	4.63	2.24	7.21	-	7.21
Depreciation and amortisation expenses								29.02

All amount in ₹ crores, unless otherwise stated

**Year ended 31 March 2020**

Particulars	Management and maintenance services	Equipment renting services	LED Lighting	Financing and related activities	Others*	Total of segments	Adjustments and eliminations	Consolidated
<b>Revenue</b>								
External customers	26.85	75.65	68.24	39.08	15.65	225.47	-	225.47
Inter - segment	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>26.85</b>	<b>75.65</b>	<b>68.24</b>	<b>39.08</b>	<b>15.65</b>	<b>225.47</b>	<b>-</b>	<b>225.47</b>
Segment expenses	32.21	61.54	90.03	18.38	55.34	257.50	-	257.50
Segment result	(5.36)	14.11	(21.79)	20.70	(39.69)	(32.03)	-	(32.03)
Segment assets	18.38	215.93	39.44	217.67	423.31	914.73	-	914.73
Segment liabilities	12.58	55.01	26.38	10.40	261.00	365.37	-	365.37
<b>Other disclosures</b>								
Capital expenditure	0.05	3.54	0.88	6.05	0.78	11.30	-	11.30
Non-cash expenditure other than depreciation	0.14	0.77	1.36	1.04	64.26	67.57	-	67.57
Depreciation and amortisation expenses								32.13

Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column.

**(C) Reconciliations to amounts reflected in the financial statements**

(i)	<b>Reconciliation of profit/(loss)</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
	Segment profit/ (loss)	3.09	(32.03)
	Other unallocated expenditure net off unallocable income	33.20	(143.83)
	Interest expense	(111.03)	(90.88)
	Income-tax expense	(12.91)	(26.44)
	<b>Loss after tax</b>	<b>(87.65)</b>	<b>(293.18)</b>
(ii)	<b>Reconciliation of assets</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
	Segment operating assets	730.23	914.73
	Other unallocable assets	823.05	697.00
	<b>Total assets</b>	<b>1,553.28</b>	<b>1,611.73</b>
(iii)	<b>Reconciliation of liabilities</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
	Segment operating liabilities	160.30	365.37
	Other unallocable liabilities	961.76	925.91
	<b>Total liabilities</b>	<b>1,122.06</b>	<b>1,291.28</b>

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note - 39

#### Leasing arrangements

The Group has leases for office spaces, warehouses and machine yards. With the exception of short-term leases and some of the leases of low-value underlying assets, each lease is reflected on the financial statement as a right-of-use asset and a lease liability.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. Further, the Group is required to pay maintenance fees in accordance with the lease contracts.

#### a) Break up value of the Current and Non - Current Lease Liabilities:

Particulars	31 March 2021	31 March 2020
Current lease liabilities	3.52	10.02
Non-current lease liabilities	0.39	3.29

#### b) Changes in the carrying value of right to use assets. (Refer note 4B)

#### c) Movement in lease liabilities:

Particulars	31 March 2021	31 March 2020
Opening Balance	13.31	9.14
Addition During the Year	1.12	7.15
Deduction/Adjustment	(9.48)	-
Total	4.95	16.29
Finance cost accrued during the period	0.60	1.14
Payment of lease liabilities	(1.64)	(4.12)
Closing Balance	<b>3.91</b>	<b>13.31</b>

#### d) Details regarding the contractual maturities of lease liabilities:

Particulars	Lease payments	Interest expense	Net present values
<b>31 March 2021</b>			
Within 1 year	0.73	(0.33)	0.40
1-2 years	0.76	(0.30)	0.46
2-5 years	2.26	(0.62)	1.64
More than 5 years	1.56	(0.15)	1.41
<b>Total</b>	<b>5.31</b>	<b>(1.40)</b>	<b>3.91</b>
<b>31 March 2020</b>			
Within 1 year	4.35	(1.06)	3.29
1-2 years	4.36	(0.76)	3.60
2-5 years	2.99	(0.45)	2.54
More than 5 years	4.61	(0.73)	3.88
<b>Total</b>	<b>16.31</b>	<b>(3.00)</b>	<b>13.31</b>



All amount in ₹ crores, unless otherwise stated

**e) Rental expense not included in the measurement of the lease liabilities is as follows:**

Particulars	31 March 2021	31 March 2020
Short-term leases	0.37	0.53
Leases of low value assets	0.09	0.16
<b>Total</b>	<b>0.46</b>	<b>0.69</b>

**f) Amounts recognised in profit or loss**

Particulars	31 March 2021	31 March 2020
Interest on lease liabilities	0.60	1.14
Depreciation charged for the year	1.33	3.59
Expenses relating to short term lease and low-value assets (includes in rent expenses)	0.46	0.69
Net present value of security deposits on lease recognised as other income	0.64	0.02

**g) Amounts recognised in the statement of cash flows**

Particulars	31 March 2021	31 March 2020
Total cash outflow for Lease as per Ind AS 116	1.46	4.00

**Note – 40**

**Capital Management**

The Group's objectives when managing capital are:

- To ensure Group's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Group 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. The Group manages its capital requirements by overseeing the following ratios –

**Debt equity ratio**

Particulars	31 March 2021	31 March 2020
Net debt *	169.80	819.95
Total equity	503.78	393.02
<b>Net debt to equity ratio</b>	<b>0.34</b>	<b>2.09</b>

**Current ratio:**

(₹ in crores)

Particulars	31 March 2021	31 March 2020
Current assets	842.14	860.93
Current liabilities	1,044.13	1,247.75
<b>Current ratio</b>	<b>0.81</b>	<b>0.69</b>

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note – 41

#### Information about subsidiaries

##### Contingent liabilities and Commitments

Particulars	31 March 2021	31 March 2020
Income tax matters for in respect of the which appeals have been filed by the Group*	9.82	9.79
Guarantees issued by banks to Sales tax and Custom department(secured by way of fixed deposits of the Group)	1.17	1.17
Claims(excluding interest) against the Group not acknowledged as debts	24.61	24.56
<b>Commitments</b>		
Estimated amount of Contracts remaining to be executed on capital account, net of advances	0.55	0.02
Estimated amount of Loans (Assets) undrawn	0.00	1.58

\*The Group has received order against this demand in its favour from Income Tax Appellate Tribunal (ITAT). The department has moved to High Court against the same.

There are legal cases against the Group in the ordinary course of business. Management has evaluated the same and depending upon the facts and after due evaluation of legal aspects of each case, adequate amounts have been provided in respect of the claims made against the Group under these cases. The Group does not expect any further liability and these litigations /lawsuits and claims may, individually or in aggregate, will not have any material adverse effect on the financial position of the Group.

There are no other contingent liabilities and commitments to be reported as on 31 March 2021 and 31 March 2020.

### Note – 42

#### Group Information

##### Information about subsidiaries

The information about subsidiaries of the Group is as follows. The below table includes the information about step down subsidiaries as well.

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2021	Proportion of ownership interest as at 31 March 2020
SORIL Infra Resources Limited	India	64.71%	64.71%
Sentia Properties Limited	India	100%	100%
Lucina Infrastructure Limited	India	100%	100%
Albasta Wholesale Services Limited	India	100%	100%
Mahabala Infracon Private Limited	India	100%	100%
Ashva Stud and Agricultural Farms Limited	India	100%	100%
Indiabulls Life Insurance Company Limited	India	100%	100%
Indiabulls General Insurance Limited	India	100%	100%
Store One Infra Resources Limited	India	64.71%	64.71%
Airmid Aviation Services Limited	India	100%	100%
Indiabulls Enterprises Limited	India	100%	100%
Indiabulls Pharmacare Limited	India	100%	100%
Indiabulls Rural Finance Private Limited	India	64.71%	64.71%

### Note – 43

#### Related party transactions

##### Subsidiaries

Details in reference to subsidiaries are presented in Note – 42

##### Key management personnel

Mr. Kubeir Khera (Executive Director & CEO of the Holding Company w.e.f. 01 January 2021)

Mr. Manvinder Singh Walia (Whole Time Director of the Holding Company)

During the year ended 31 March 2021 and 31 March 2020, there were no material transactions with related parties.

All amount in ₹ crores, unless otherwise stated

#### Note – 44

Upon receipt of NOCs (observation letters) from the National Stock Exchange of India Limited and BSE Limited, during FY 2019-20, the Group had filed the Company Application, under Section 230 to 232 of the Companies Act, 2013 and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, before jurisdictional bench of NCLT in respect of the Scheme of Amalgamation and Arrangement amongst the Company, (“Transferee Company” or “Demerging Company 1”), Albasta Wholesale Services Limited (“Transferor Company 1”), Sentia Properties Limited (“Transferor Company 2”), Lucina Infrastructure Limited (“Transferor Company 3”), Ashva Stud and Agricultural Farms Limited (“Transferor Company 4”), Mahabala Infracon Private Limited (“Transferor Company 5”), SORIL Infra Resources Limited (“Transferor Company 6”), Store One Infra Resources Limited (“Transferor Company 7”), Indiabulls Enterprises Limited (“Resulting Company 1”), Indiabulls Pharmaceuticals Limited (“Demerging Company 2”) and Indiabulls Pharmicare Limited (“Resulting Company 2”) and their respective shareholders and creditors.

#### Note - 45

##### Employee benefits

##### Defined contribution plan

The Group has made ₹ 0.42 crores (31 March 2020: ₹ 0.24 crores) contribution in respect of provident fund.

##### Defined benefit plan

The Company has following defined benefit plans:

- Gratuity (unfunded)
- Compensated absences (unfunded)

##### Risks associated with plan provisions

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

##### Compensated absence

The leave obligations cover the Group’s liability for permitted leaves. The amount of provision of ₹0.03 crores (31 March 2020: ₹0.05 crores) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. The weighted average duration of the defined benefit obligation is 20.11 years (31 March 2020: 20.11 years).

##### Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee’s last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity plan is a non-funded plan. The weighted average duration of the defined benefit obligation is 20.11 years (31 March 2020: 20.11 years)

##### Actuarial (gain)/loss on obligation:

Particulars	Gratuity		Compensated absence	
	For the year ended		For the year ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Actuarial (gain)/loss on arising from change in demographic assumption	-	(0.00)	-	(0.00)
Actuarial (gain)/loss on arising from change in financial assumption	0.02	0.24	0.01	0.21
Actuarial (gain)/loss on arising from change in experience adjustment	(0.38)	(0.49)	(1.12)	(0.61)

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

Amount recognized in the statement of profit and loss is as under

Particulars	Gratuity		Compensated absence	
	For the year ended		For the year ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Service cost	0.68	0.96	0.63	0.96
Net interest cost	0.17	0.17	0.12	0.09
Actuarial (gain)/loss for the year	(0.37)	(0.25)	(0.78)	(0.39)
<b>Expenses recognized/ (reversed) in the statement of profit and loss</b>	<b>0.48</b>	<b>0.88</b>	<b>(0.03)</b>	<b>0.66</b>

Movement in the liability recognized in the balance sheet is as under:

Particulars	Gratuity		Compensated absence	
	As at		As at	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Present value of defined benefit obligation at the beginning of the year	2.48	2.21	1.47	1.22
Acquisition adjustments	-	-	-	-
Current Service Cost	0.68	0.96	0.49	0.96
Interest Cost	0.17	0.17	0.10	0.09
Actuarial (gain)/ loss on obligation	(0.37)	(0.25)	(0.80)	(0.39)
Benefits paid	(0.54)	(0.56)	-	-
<b>Present value of defined benefit obligation at the end of the year</b>	<b>2.42</b>	<b>2.53</b>	<b>1.26</b>	<b>1.88</b>

Bifurcation of projected benefit obligation at the end of the year in current and non-current

Particulars	Gratuity		Compensated absence	
	As at		As at	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
a) Current liability (amount due within one year)	0.03	0.03	0.03	0.05
b) Non - current liability (amount due over one year)	2.39	2.50	1.44	1.83
<b>Total projected benefit obligation at the end of the year</b>	<b>2.42</b>	<b>2.53</b>	<b>1.47</b>	<b>1.88</b>

For determination of the liability of the Group, the following actuarial assumptions were used:

Particulars	Gratuity		Compensated absence	
	As at		As at	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Discount rate	6.83%	6.99%	6.83%	6.99%
Salary escalation rate	5.50%	5.50%	5.50%	5.50%
Mortality table	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)

As the Group does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

All amount in ₹ crores, unless otherwise stated

**Maturity plan of defined benefit obligation**

Year	31 March 2020		Year	31 March 2019	
	Gratuity	Compensated absence		Gratuity	Compensated absence
a) April 2021 – March 2022	0.03	0.03	April 2020 – March 2021	0.03	0.05
b) April 2022 – March 2023	0.03	0.03	April 2021 – March 2022	0.03	0.04
c) April 2023 – March 2024	0.07	0.05	April 2022 – March 2023	0.04	0.04
d) April 2024 – March 2025	0.05	0.04	April 2023 – March 2024	0.08	0.05
e) April 2025 – March 2026	0.04	0.02	April 2024 – March 2025	0.07	0.04
f) April 2026 – March 2027	0.11	0.07	April 2025 – March 2026	0.05	0.04
g) April 2027 onwards	2.10	1.23	April 2026 onwards	2.24	1.62

**Sensitivity analysis of the defined benefit obligation**

Particulars	31 March 2021		31 March 2020	
	Gratuity	Compensated absence	Gratuity	Compensated absence
<b>Impact of the change in discount rate</b>				
Present value of obligation at the end of the year	2.42	1.47	2.53	1.88
a) Impact due to increase of 0.50 %	(0.16)	(0.10)	(0.18)	(0.13)
b) Impact due to decrease of 0.50 %	0.18	0.11	0.20	0.14
<b>Impact of the change in salary increase</b>				
Present value of obligation at the end of the year	2.42	1.47	2.53	1.88
a) Impact due to increase of 0.50 %	0.18	0.11	0.19	0.14
b) Impact due to decrease of 0.50 %	(0.16)	(0.10)	(0.17)	(0.13)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

**Note – 46**

**Share based payments**

**A. Yaarii Digital Integrated Services Limited Employees Stock Options Scheme – 2011**

The Holding Company established the Yaarii Digital Integrated Services Limited Employees Stock Options Scheme - 2011 (“YDISL ESOS”). Under the Plan, the Holding Company granted 45,66,600 equity settled options to its eligible employees during the financial year 2017-18 which gave them a right to subscribe up to 45,66,600 stock options representing an equal number of equity shares of face value of ₹2 each of the Holding Company at an exercise price of ₹105.20 per option, subject to the requirements of vesting. A compensation committee constituted by the Board of Directors of the Holding Company administers the Plan. The stock options so granted, shall vest in the eligible employees within 5 years beginning from 03 November 2018, the first vesting date. The stock options granted under each of the slabs are exercisable by the option holders within a period of five years from the relevant vesting date.

The previous title of the Scheme, viz. SORIL Holdings and Ventures Limited Employee Stock Option Scheme -2011 (SHVL ESOS), stands changed to Yaarii Digital Integrated Services Limited Employee Stock Option Scheme – 2011 (YDISL ESOS) in line with the revised certificate of incorporation dated 25 November 2020.

Following is a summary of options granted under the plan

Particulars	31 March 2021	31 March 2020
Opening balance	45,66,600	45,66,600
Granted during the year	-	-
Exercised during the year	-	-
Forfeited during the year	-	-
<b>Closing balance</b>	<b>45,66,600</b>	<b>45,66,600</b>
Vested and exercisable	27,39,960	18,26,640

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

Weighted average share exercised price during the period/year ended 31 March 2021: Nil (31 March 2020: Nil)

Particulars	YDISL ESOS
Fair market value of option on the date of grant	₹ 15.52
Exercise price	₹ 105.20
Expected volatility	40.57%-54.28%
Expected forfeiture percentage on each vesting date	20%
Expected option life (weighted average)	8 years
Expected dividend yield	100%
Risk free interest rate	6.56%-7.01%

The expected volatility was determined based on historical volatility data of the Holding Company's shares listed on the recognized Stock Exchange.

### B. Yaarii Digital Integrated Services Limited – Employee stock benefit Scheme 2018

- (i). During the financial year 2018-19, the Holding Company established an Employees Stock Option Plan, which is called now "Yaarii Digital Integrated Services Limited – Employee Stock Benefit Scheme 2018" ("ESOP Plan 2018"). Under the Plan, the Holding Company had granted 10,00,000 equity settled options to its eligible employees which gave them a right to subscribe up to 10,00,000 stock options representing an equal number of equity shares of face value of ₹2 each of the Holding Company at an exercise price of ₹489.35 per option, subject to the requirements of vesting. A compensation committee constituted by the Board of Directors of the Holding Company administers the Plan. The stock options so granted, shall vest in the eligible employees within 5 years beginning from 10 August 2019, the first vesting date. The stock options granted under each of the slabs are exercisable by the option holders within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan

Particulars	31 March 2021	31 March 2020
Opening balance	10,00,000	10,00,000
Granted during the year	-	-
Exercised during the year	-	-
Forfeited during the year	-	-
<b>Closing balance</b>	<b>10,00,000</b>	<b>10,00,000</b>
Vested and exercisable	<b>4,00,000</b>	<b>2,00,000</b>

Weighted average share exercised price during the period/year ended 31 March 2021: Nil (31 March 2020: Nil)

Particulars	YDISL ESOS
Fair market value of option on the date of grant	₹ 64.97
Exercise price	₹ 489.35
Expected volatility	30.05%-40.33%
Expected forfeiture percentage on each vesting date	20%
Expected option life (weighted average)	7.5 years
Expected dividend yield	100%
Risk free interest rate	7.68%-7.98%

The expected volatility was determined based on historical volatility data of the Holding Company's shares listed on the recognized Stock Exchange.

All amount in ₹ crores, unless otherwise stated

- (ii). Further, in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 (SBEB Regulations), the Holding Company had set up a registered employees' welfare trust titled "Surya Employees Welfare Trust" (the "Trust") to efficiently manage the Scheme(s) and to acquire, purchase, hold and deal in fully paid-up equity shares of the Holding Company from the secondary market, for the purpose of administration and implementation of the Scheme(s). During the FY 2020-21, on 12 February 2021, 17,54,327 shares held by the Trust have been appropriated for the implementation and management of Holding Company's employees benefit scheme viz. the "Yaarii Digital Integrated Services Limited - Employee Stock Benefit Scheme 2018", towards grant of Share Appreciations Rights (SARs) to the employees of the Holding Company and its subsidiaries as permitted pursuant to and in compliance with applicable SBEB Regulations. As per the vesting schedule, the options shall vest equally over 3 years; i.e., 33% each of the at the end of every year from the date of its Grant.

Following is a summary of options granted under the plan

Particulars	31 March 2021
Opening balance	-
Granted during the year	17,54,327
Exercised during the year	-
Forfeited during the year	-
<b>Closing balance</b>	<b>17,54,327</b>
Vested and exercisable	-

Options granted by the Holding Company have a graded vesting period. As per Ind-AS 102 on 'Share-based payments', while calculating value of an Option with graded vesting, each vesting need to be considered as a separate grant. Binomial option pricing model has been used for evaluation of the fair value of Option as on the date of grant.

The details of the variables used and fair value computed as at Grant Date are stated below:

Particulars	31 March 2021
Grant Date	12 February 2021
Vesting date	12 February 2024
Market Price per share	INR 128.75
Exercise price	INR 130.00
Term (in years)	3.50 years
Rf rate	5.10%
Forfeiture Rate	15% per annum
Volatility	44.85%
Dividend yield	0.00%
Call Option Value	<b>INR 49.14 per option</b>

#### C. SORIL Infra Resources Limited Employee Stock Option Scheme - 2009

The Shareholders of one of the subsidiaries of the Holding Company, namely, SORIL Infra Resources Limited (*herein referred to as the "Subsidiary Company" in the following paragraphs*) vide postal ballot passed a special resolution on 09 February 2009 for issue of 15,00,000 (fifteen lacs) shares towards issue of Employee Stock Option Scheme -2009 in supersession of Resolution passed on 12 May 2008 for ESOP -2008 .

The Compensation Committee, constituted by the Board of Directors of the Subsidiary Company, at its meeting held on 03 November 2017, granted, under the SORIL Infra Resources Limited Employee Stock Option Scheme - 2009 ("SORIL Infra ESOS-2009" or "Scheme"), 15,00,000 (fifteen lacs) stock options representing an equal number of Equity shares of face value ₹ 10 each in the Subsidiary Company, to the eligible employees, at an exercise price of ₹ 168.30 per option, being the latest available closing market price on the National Stock Exchange of India Limited, on the date of grant. The stock options so granted, shall vest in the eligible employees within 5 years beginning from first vesting date. The stock options granted under each of the slabs, can be exercised by the grantees within a period of 5 years from the relevant vesting date.

The title of the Scheme was changed from Store One Retail India Limited Employees Stock Option Scheme – 2009 to SORIL Infra Resources Limited Employee Stock Option Scheme – 2009 as per the revised certificate of incorporation of the Subsidiary Company dated 21 December 2016.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

Following is a summary of options granted under the Scheme:

Particulars	31 March 2021	31 March 2020
Opening balance	15,00,000	15,00,000
Granted during the year	-	-
Exercised during the year	-	-
Forfeited during the year	-	-
<b>Closing balance</b>	<b>15,00,000</b>	<b>15,00,000</b>
Vested and exercisable	-	-

Weighted average share price of exercised option on the date of exercise was for the year ended 31 March 2021: ₹ Nil (31 March 2020: ₹ Nil).

The fair value of the option under Scheme using the black scholes model, based on the following parameters is ₹ 18.77 per option, as certified by an independent valuer.

Particulars	Scheme
Fair market value of option on the date of grant (₹)	18.77
Exercise price (₹)	168.3
Expected volatility	32.28% to 51.22%
Expected forfeiture percentage on each vesting date	20.00%
Expected option life (weighted average)	8 Years
Expected dividend yield	50.00%
Risk free interest rate	6.56% to 7.01%

The expected volatility was determined based on historical volatility data of the Subsidiary Company's shares listed on the National Stock Exchange of India Limited.

### D. SORIL Infra Resources Limited Employee Stock Option Scheme - 2009(II)

Shareholders of one of the subsidiaries of the Holding Company, namely, the SORIL Infra Resources Limited (*herein referred to as the "Subsidiary Company" in the following paragraphs*) in their Annual General Meeting held on 30 September 2009 have approved by way of special resolution the SORIL Infra Resources Limited Employee Stock Option Scheme - 2009(II) ("SORIL Infra ESOS-2009(II)" or "Scheme-II"), covering 30,00,000 (thirty lacs) equity settled options for eligible employees of the Subsidiary Company, its subsidiaries, its fellow subsidiaries and Yaarii Digital Integrated Services Limited (formerly known as Indiabulls Integrated Services Limited).

The Compensation Committee, constituted by the Board of Directors of the Subsidiary Company, at its meeting held on 03 November 2017, granted, under the SORIL Infra Resources Limited Employee Stock Option Scheme - 2009(II) ("SORIL Infra ESOS-2009(II)" or "Scheme-II"), 30,00,000 (thirty lacs) stock options representing an equal number of Equity shares of face value ₹ 10 each in the Subsidiary Company, to the eligible employees, at an exercise price of ₹ 168.30 per option, being the latest available closing market price on the National Stock Exchange of India Limited, on the date of grant. The stock options so granted, shall vest in the eligible employees within 5 years beginning from first vesting date. The stock options granted under each of the slabs, can be exercised by the grantees within a period of 5 years from the relevant vesting date.

The title of the Scheme-II was changed from Store One Retail India Limited Employees Stock Option Scheme - 2009(II) to SORIL Infra Resources Limited Employee Stock Option Scheme - 2009(II) as per the revised certificate of incorporation dated 21 December 2016.

Following is a summary of options granted under the Scheme-II

Particulars	31 March 2021	31 March 2020
Opening balance	30,00,000	30,00,000
Granted during the year	Nil	Nil
Forfeited during the year	Nil	Nil
Exercised during the year	Nil	Nil
Expired during the year	Nil	Nil
<b>Closing balance</b>	<b>30,00,000</b>	<b>30,00,000</b>
Exercisable at the year ended	Nil	Nil

Weighted average share price of exercised option on the date of exercise was for the year ended 31 March 2021: ₹ Nil (31 March 2020: ₹ Nil).



All amount in ₹ crores, unless otherwise stated

The fair value of the option under Scheme-II using the black scholes model, based on the following parameters is ₹ 18.77 per option, as certified by an independent valuer.

Particulars	Scheme
Fair market value of option on the date of grant (₹)	18.77
Exercise price (₹)	168.3
Expected volatility	32.28% to 51.22%
Expected forfeiture percentage on each vesting date	20.00%
Expected option life (weighted average)	8 Years
Expected dividend yield	50.00%
Risk free interest rate	6.56% to 7.01%

The expected volatility was determined based on historical volatility data of the Holding Company's shares listed on the National Stock Exchange of India Limited.

**E. SORIL Infra Resources Limited Employee Stock option scheme -2018 ( "SORIL Infra ESOS-2018")**

On 29 September 2018, pursuant to the approval by the shareholders in the annual general meeting of one of the subsidiaries of the Holding Company, namely, SORIL Infra Resources Limited (herein referred to as the "Subsidiary Company" in the following paragraphs, the Board of the Subsidiary Company( including a committee thereof) has been authorised to create, offer, issue and allot stock options to eligible employees and directors of the Subsidiary Company of its existing and future subsidiaries upto 30,00,000 (Thirty lacs) equity shares of ₹ 10 each in one or more tranches and upon such terms and conditions as may be deemed appropriate by the board. The scheme shall vest within 5 years from the date of the grant.

The total expense of share based payments recognized during the period/year ended 31 March 2021 is ₹ 2.96 crores (31 March 2020: ₹ 5.28 crores)

**Note -47**

**Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 – Cash flows**

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

Particulars	Lease liabilities		Non-current and current borrowings (including current maturities)	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Opening balance	13.31	5.70	1,127.85	342.12
Transition impact on account of adoption of Ind AS 116	-	3.44	-	-
Addition on account of new leases during the year	1.12	7.09	-	-
Deduction/Adjustment of leases during the year	(9.70)	-	-	-
Principal payment	(0.82)	(2.83)	(799.93)	785.73
Interest expense	0.60	1.14	122.73	122.52
Net accrued interest	-	-	62.26	(57.48)
Interest paid	(0.60)	(1.14)	(184.99)	(65.04)
<b>Closing balance</b>	<b>3.91</b>	<b>13.31</b>	<b>327.92</b>	<b>1,127.85</b>
<b>Borrowing (Long term and short term)</b>				
Non-current financial liabilities	3.52	10.02	307.47	864.30
Current maturity of long term borrowing	-	-	20.45	263.55
Current maturity of long term lease liabilities	0.39	3.29	-	-

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

All amount in ₹ crores, unless otherwise stated

### Note – 48

#### Subsidiaries with material non-controlling interest ('NCI')

The Group includes following subsidiary, with material non-controlling interest, as mentioned below:

Description	Country	31 March 2021	31 March 2020
SORIL Infra Resources Limited	India	35.29%	35.29%

The summarized financial information of the subsidiary before inter-group eliminations is set out below:

#### SORIL Infra Resources Limited

##### Balance Sheet

Description	31 March 2021	31 March 2020
Non-current assets	235.90	397.22
Current assets	453.09	227.13
<b>Total assets</b>	<b>688.99</b>	<b>624.35</b>
Non-current liabilities	77.12	37.27
Current liabilities	350.95	346.75
<b>Total liabilities</b>	<b>428.07</b>	<b>384.02</b>
<b>Net assets/total equity</b>	<b>260.92</b>	<b>240.33</b>
<b>Attributable to:</b>		
Controlling interests	168.84	155.51
Non-controlling interests	92.08	84.82

##### Statement of profit and loss

Description	31 March 2021	31 March 2020
Total revenue	193.06	231.06
Profit for the year	19.35	6.66
Total comprehensive income	19.75	10.90
Attributable to non-controlling interests	6.97	3.85

##### Cash flow information

Description	31 March 2021	31 March 2020
Cash flow from operating activities	116.06	(27.00)
Cash flow from investing activities	(126.77)	83.37
Cash flow from financing activities	25.07	(57.31)
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>14.36</b>	<b>(0.94)</b>

All amount in ₹ crores, unless otherwise stated

**Note – 49**

Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013

Name of the entity in the Group	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income		
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated profit	Amount	As % of consolidated profit	Amount	
<b>Holding Company</b>									
Yaarii Digital Integrated Services Limited (formerly Indiabulls Integrated Services Limited)	(154.01)	(664.14)	76.99	(67.47)	(0.09)	(0.19)	(53.79)	(67.67)	
<b>Indian subsidiaries</b>									
Indiabulls Life Insurance Company Limited	19.36	83.50	(12.94)	11.35	-	-	9.01	11.35	
Indiabulls General Insurance Limited	5.66	24.41	1.15	(1.01)	-	-	(0.80)	(1.01)	
Indiabulls Enterprises Limited	0.01	0.03	0.00	(0.00)	-	-	(0.00)	(0.00)	
Indiabulls Pharmacare Limited	0.01	0.04	0.01	(0.00)	-	-	(0.00)	(0.00)	
Sentia Properties Limited	69.57	300.00	0.02	(0.02)	-	-	(0.01)	(0.02)	
Mahabala Infracon Private Limited	30.59	131.93	3.99	(3.50)	25.41	54.24	40.33	50.74	
Lucina Infrastructure Limited	19.18	82.70	6.45	(5.66)	19.63	41.90	28.80	36.23	
Ashva Stud and Agricultural Farms Limited	21.75	93.78	4.78	(4.19)	21.16	45.17	32.57	40.97	
Albasta Wholesale Services Limited	38.55	166.25	14.90	(13.06)	33.66	71.85	46.73	58.79	
Airmid Aviation Services Limited	(55.93)	(241.18)	21.15	(18.54)	0.05	0.10	(14.65)	(18.44)	
SORIL Infra Resources Limited	94.97	409.55	(6.46)	5.66	0.12	0.25	4.68	5.89	
Store One Infra Resources Limited	2.70	11.65	0.03	(0.03)	-	-	(0.02)	(0.03)	
Indiabulls Rural Finance Private Limited	7.58	32.69	(10.09)	8.84	0.07	0.15	7.16	9.01	

**Note – 50**

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November, 2020, and has invited suggestions from stake holders which are under active consideration by the Ministry. Based on an initial assessment by the Group, the additional impact on Provident Fund contributions by the Group is not expected to be material, whereas, the likely additional impact on Gratuity liability/ contributions by the Group and its Indian subsidiaries could be material. The Group will complete its evaluation once the subject rules are notified and will give appropriate impact in the financial results in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (Contd...)

### Note – 51

#### Other matters

- a. In respect of amounts as mentioned under Section 125 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2021 and 31 March 2020.
- b. In the opinion of the Board of Directors, all current assets and long term loans & advances, appearing in the balance sheet as at 31 March 2021, have a value on realization, in the ordinary course of the Group's business, at least equal to the amount at which they are stated in the financial statements. In the opinion of the board of directors, no provision is required to be made against the recoverability of these balances.

This is the balance sheet referred to in our report of even date.

#### For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number.: 005975N

#### Vikas Aggarwal

Partner

Membership Number: 097848

Place : Gurugram

Date : 08 May 2021

#### For and on behalf of the Board of Directors

#### Kubeir Khara

Executive Director & CEO

[DIN:03498226]

#### Priya Jain

Company Secretary

#### Ajit Kumar Mittal

Director

[DIN:02698115]

#### Saurabh Garg

Chief Financial Officer

### Statement containing salient features of the financial statement of subsidiaries

[Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 (Form AOC-I)]

#### Part A Subsidiaries

S. No.	Name of the Subsidiary	Date since when the Subsidiary was acquired	Reporting Period	Reporting Currency	Share Capital	Reserves and Surplus	Total Assets (other than investments)	Total Liabilities	Investments	Turnover	Profit/ (loss) before taxation	Provision for taxation	Profit/ (loss) after taxation	Proposed dividend (including corporate dividend tax)	% of shareholding at the end of the reporting period
1	Indiabulls Life Insurance Company Limited	09 December 2017	2020-21	INR	150.00	217.98	288.59	7.74	87.12	34.24	25.99	5.05	20.94	-	100%
			2019-20		150.00	197.03	115.22	7.58	239.39	45.02	40.82	11.55	29.27	-	100%
2	Indiabulls General Insurance Limited	24 January 2018	2020-21	INR	100.10	71.99	148.17	2.62	26.55	13.65	13.35	3.44	9.91	-	100%
			2019-20		100.10	62.09	125.33	0.64	37.50	16.74	16.41	2.92	13.49	-	100%
3	Airmid Aviation Services Limited	23 December 2014	2020-21	INR	10.00	(194.10)	72.09	256.19	-	26.91	(20.07)	0.02	(20.09)	-	100%
			2019-20		10.00	(174.12)	115.28	279.90	0.51	29.03	(29.72)	0.05	(29.77)	-	100%
4	Ashva Stud and Agricultural Farms Limited	07 December 2015	2020-21	INR	0.05	(168.39)	1.04	262.25	92.86	2.14	(6.93)	0.00	(6.93)	-	100%
			2019-20		0.05	(206.63)	34.06	288.34	47.70	17.29	(59.27)	1.27	(60.54)	-	100%
5	Albastia Wholesale Services Limited	30 June 2011	2020-21	INR	100.05	(269.81)	0.58	690.48	520.14	1.64	(13.56)	0.00	(13.56)	-	100%
			2019-20		100.05	(328.09)	24.58	700.92	448.30	12.55	(57.73)	1.69	(59.42)	-	100%
6	Lucina Infrastructure Limited	01 January 2010	2020-21	INR	8.55	(169.74)	0.17	243.89	82.53	-	(5.66)	-	(5.66)	-	100%
			2019-20		8.55	(205.98)	0.19	238.25	40.64	8.00	(47.57)	0.71	(48.27)	-	100%
7	Mahabala Infracon Private Limited	11 December 2014	2020-21	INR	3.05	(220.05)	15.03	348.93	116.90	-	(3.50)	-	(3.50)	-	100%
			2019-20		3.05	(270.78)	15.05	345.45	62.67	9.69	(61.23)	1.11	(62.33)	-	100%
8	Sentia Properties Limited	01 January 2010	2020-21	INR	0.05	(34.28)	300.00	334.23	-	0.01	0.01	0.02	(0.02)	-	100%
			2019-20		0.05	(34.26)	300.19	334.40	-	-	(0.16)	-	(0.16)	-	100%
9	SORIL Infra Resources Limited	10 April 2008	2020-21	INR	31.50	203.94	518.49	403.18	120.13	160.79	7.57	-	7.57	-	64.71%
			2019-20		31.50	195.28	488.74	381.35	119.39	194.19	(4.89)	-	(4.89)	-	64.71%
10	Store One Infra Resources Limited	15 November 2015	2020-21	INR	1.55	6.70	11.29	3.04	-	0.89	0.59	0.63	(0.04)	-	64.71%
			2019-20		1.55	6.74	10.88	2.60	-	7.28	4.56	1.01	3.55	-	64.71%
11	Indiabulls Rural Finance Limited	25 January 2019	2020-21	INR	41.80	94.13	203.32	67.39	-	35.49	15.55	3.73	11.82	-	64.71%
			2019-20		41.80	82.16	217.67	93.71	-	39.59	10.72	2.72	8.00	-	64.71%
12	Indiabulls Enterprises Limited	02 January 2019	2020-21	INR	0.10	(0.02)	0.01	0.00	0.08	0.00	(0.00)	-	(0.00)	-	100%
			2019-20		0.10	(0.01)	0.01	0.00	0.08	0.00	(0.01)	-	(0.01)	-	100%
13	Indiabulls Pharmcare Limited	17 January 2019	2020-21	INR	0.05	(0.01)	0.01	0.00	0.03	0.00	(0.00)	-	(0.00)	-	100%
			2019-20		0.05	(0.01)	0.01	0.00	0.03	0.00	(0.01)	-	(0.01)	-	100%

**Part B Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates or Joint Ventures	Latest audited Balance Sheet Date	Date on which the Associate or Joint Venture was associated or acquired	Shares of Associate or Joint Ventures held by the company on the year end	Amount of Investment in Associates or Joint Venture	Extent of Holding (in percentage)	Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Networth attributable to shareholding as per latest audited balance sheet	Profit/ (Loss) for the year
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

**For and on behalf of the Board of Directors**

**Kubeir Khera**  
Executive Director & CEO  
[DIN:03498226]

**Priya Jain**  
Company Secretary

**Ajit Kumar Mittal**  
Director  
[DIN:02698115]

**Saurabh Garg**  
Chief Financial Officer

Place : Gurugram  
Date : 08 May 2021



## **YAARII DIGITAL INTEGRATED SERVICES LIMITED**

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### **Registered Office:**

Indiabulls House  
Plot No. 448-451, Udyog Vihar,  
Phase-V, Gurugram - 122016, Haryana

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### **Corporate Office:**

One International Center, Tower 1,  
Senapati Bapat Marg,  
Elphinstone Road, Mumbai – 400013