

September 05, 2019

Scrip Code - 533520
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI – 400 001

IBULISL
National Stock Exchange of India Limited
'Exchange Plaza',
Bandra-Kurla Complex, Bandra (East)
MUMBAI – 400 051

Sub: Notice for convening Twelfth Annual General Meeting of shareholders of the Company, along with Annual Report for the financial year 2018-19.

Ref: Disclosure under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulations)

Dear Sir(s),

This has reference to our letter dated August 28, 2019, wherein we have informed that the Twelfth Annual General Meeting of the Company will be held on **Monday, September 30, 2019 at 02:00 P.M.** at **'The Pillazio Hotel', 292-296, Near City Center, Sector 29, South City, Gurugram-122001, Haryana.**

In this connection and as required under Listing Regulations, we hereby enclose herewith Notice convening the Twelfth AGM of the Company and Annual Report for the financial year 2018-19.

The said documents are also uploaded on the website of the Company viz. www.indiabullsinintegratedservices.com

We would like to submit that the Company has commenced dispatch of said Notice and the Annual Report to the shareholders on Thursday, September 05, 2019.

We request you to take the above information on record.

Thanking you,

Yours truly

for **Indiabulls Integrated Services Limited**



Priya Jain
Company Secretary

Encl: As above

Indiabulls Integrated Services Limited

(formerly SORIL Holdings and Ventures Limited)

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

Corporate Office: Indiabulls Finance Centre, Tower-1, CS 612/613, S. B. Marg, Elphinstone (W), Mumbai - 400013, Maharashtra | Tel: 022 62498580 | Fax: 022 61899600

CIN: L51101HR2007PLC077999, **Website:** www.indiabullsinintegratedservices.com, **E-mail:** helpdesk@indiabulls.com



Indiabulls Integrated Services Limited

(formerly SORIL Holdings and Ventures Limited)

(CIN: L51101HR2007PLC077999)

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

Website: www.indiabullsinTEGRATEDservices.com, E-mail: helpdesk@indiabulls.com, Tel: 0124-6681199, Fax: 0124-6681111

NOTICE

Notice is hereby given that the **TWELFTH ANNUAL GENERAL MEETING (AGM)** of the members of **INDIABULLS INTEGRATED SERVICES LIMITED** (formerly SORIL Holdings and Ventures Limited) ('the Company') will be held on Monday, the 30th day of September, 2019 at 02:00 P.M. at 'The Plazio Hotel', 292-296, Near City Center, Sector 29, South City, Gurugram-122001, Haryana, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone and consolidated financial statements of the Company as at March 31, 2019, and the Reports of the Board of Directors 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.
3. To re-appoint and fix remuneration of M/s Agarwal Prakash & Co., Chartered Accountants (Firm Registration Number: 005975N), as Statutory Auditors of the Company:

"RESOLVED THAT pursuant to Section 139 and 142 and any other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable, Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of members of the Company be and is hereby accorded to re-appoint M/s Agarwal Prakash & Co., Chartered Accountants (Firm Registration Number: 005975N), as Statutory Auditors of the Company, to hold the office as such, from conclusion of this AGM until the conclusion of seventeenth Annual General Meeting of the Company, at an annual remuneration/fees of upto ₹ 25,00,000/- (Rupees Twenty Five Lakhs Only) plus taxes as applicable from time to time, for the purpose of Audit of the Company, and further that the Board/Audit Committee is authorized to modify/vary the terms and conditions of appointment, including fixation/revision in remuneration during the remaining tenure of four years, as may be mutually agreed with the Statutory Auditors of the Company."

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 160 and any other applicable provisions of the Companies Act, 2013 including Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr. Praveen Kumar Tripathi, a retired IAS and Ex-Chief Secretary, Govt of NCT Delhi (DIN: 02167497), be and is hereby appointed as an Independent Director of the Company for a term of three years, with effect from March 28, 2019 till March 27, 2022 AND THAT he shall not be liable to retire by rotation."

5. **To consider and if thought fit, to pass the following resolution as a special resolution, for re-appointment of Mr. Shamsher Singh Ahlawat (DIN: 00017480), as an Independent Director of the Company:**

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and 160 and any other applicable provisions

of the Companies Act, 2013 including Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr. Shamsher Singh Ahlawat (DIN: 00017480), who was appointed as an Independent Director of the Company, w.e.f. September 26, 2014 and whose term of office expires on September 25, 2019, be and is hereby re-appointed as an Independent Director of the Company for a term of three years, with effect from September 26, 2019 till September 25, 2022 AND THAT he shall not be liable to retire by rotation.”

6. **To consider and if thought fit, to pass the following resolution as a special resolution, for re-appointment of Mr. Gurrappa Gopalakrishna (DIN: 06407040) (Ex- Executive Director, Reserve Bank of India, and Director (with the rank of Deputy Governor) CAFRAL), as an Independent Director of the Company:**

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and 160 and any other applicable provisions of the Companies Act, 2013 including Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr. Gurrappa Gopalakrishna (Ex-Executive Director, Reserve Bank of India, and Director (with the rank of Deputy Governor) CAFRAL) (DIN: 06407040), who was appointed as an Independent Director of the Company, w.e.f. December 8, 2017 and whose term of office expires on December 7, 2019, be and is hereby re-appointed as an Independent Director of the Company for a term of three years, with effect from December 8, 2019 till December 7, 2022 AND THAT he shall not be liable to retire by rotation.”

7. **To consider and if thought fit, to pass the following resolution as a special resolution, for re-appointment of Justice Gyan Sudha Misra (DIN: 07577265) (Retd. Justice Supreme Court of India), as an Independent Director of the Company:**

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and 160 and any other applicable provisions of the Companies Act, 2013 including Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Justice Gyan Sudha Misra (Retd. Justice Supreme Court of India) (DIN: 07577265), who was appointed as an Independent Director of the Company, w.e.f. December 8, 2017 and whose term of office expires on December 7, 2019, be and is hereby re-appointed as an Independent Director of the Company for a term of three years, with effect from December 8, 2019 till December 7, 2022 AND THAT she shall not be liable to retire by rotation.”

8. **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 Debt Securities) Regulations, 2008, the SEBI (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”) secured or unsecured and/or Bonds, for cash, either at par or premium or discount to the face value, under one or more shelf disclosure documents and/or under one or more letters of offer, as may be issued by the Company, and in one or more series, on private placement basis, from time to time, during a period of one year from the date of passing of this Resolution, such that the total amount to be raised through issue of such NCDs / Bonds shall be within the borrowings limits, as per shareholders’ authorization, of upto ₹ 1,000 Crores.

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed, 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.”

By Order of the Board of Directors
For **Indiabulls Integrated Services Limited**

Sd/-
Priya Jain
Company Secretary
Membership No.: A19925

Place: Gurugram
Date: August 28, 2019

NOTES:

- (a) The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, September 28, 2019 to Monday, September 30, 2019 (both days inclusive), for annual closing (for Annual General Meeting).
- (b) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the business along with brief profile of the proposed appointee Directors, nature of their expertise and the relevant details required to be provided in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and applicable Secretarial Standard-2 are also set out in explanatory statement for the Item Nos. 2 to 8 of the accompanying Notice, and is annexed hereto and the same should be taken as part of this Notice.
- (c) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND, ON A POLL, TO VOTE ON HIS/HER BEHALF AND A PROXY NEED NOT BE A MEMBER.** A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, at Gurugram, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxy form is annexed to this Notice. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
- (d) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar and Share Transfer Agent.
- (e) Corporate members intending to send their authorized representatives to attend the meeting are requested to a certified true copy of the Board Resolution authorizing their representative to attend this Annual General Meeting.
- (f) Electronic copy of the Notice of 12th Annual General Meeting (AGM) of the Company and the Annual Report for FY 2018-19 are being sent to all the members whose e-mail IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail IDs, physical copy of the said Notice and Annual Report inter-alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form are being sent in the permitted mode(s). The said Notice and the Annual Report are being sent to all the Members, whose names appear in the Register of Members as on August 30, 2019, and to Directors and the Auditors of the Company. Members may note that said Notice and the Annual Report for FY 2018-19 is also posted on the website of the Company www.indiabullsinintegratedservices.com.
- (g) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote, provided the votes are not already cast by remote e-voting by the first holder.
- (h) Voting through electronic means
- I. In compliance with the provisions of Section 108 of the Companies Act 2013, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide the facility of voting through electronic means, as an alternative, to all its Members to enable them to cast their votes electronically instead of casting their vote at the Meeting. Please note that the voting through electronic means is optional. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Meeting (“remote e-voting”) will be provided by Karvy Fintech Private Limited (Karvy).
 - II. The facility of voting through ballot paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the Meeting through ballot paper.

- III. The Members who cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on Friday, September 27, 2019 at 10:00 A.M. and ends on Sunday, September 29, 2019 at 5.00 P.M after which the facility will be disabled by Karvy and remote e-voting shall not be allowed beyond the said date and time. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date (for reckoning voting rights) being, Monday, September 23, 2019, may cast their vote by remote e-voting in the manner and process set out herein below. Any person who is not a member as on the cut-off date should treat this Notice for information purposes only.
- V. In case of any query pertaining to e-voting, please contact Karvy's toll free no. 1-800-34-54-001 or on the email Id: evoting@karvy.com or visit Help & FAQ's section on Karvy's website <https://evoting.karvy.com>
- VI. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (for reckoning voting rights) being, Monday, September 23, 2019. Any person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- VII. The Company has appointed Ms. Neha Sharma (Membership No. A44741) of M/s. Neha S & Associates, Practicing Company Secretaries, as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
- VIII. 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.
- IX. The process and manner for remote e-voting are as under:
 - i) Open your web browser during the voting period and navigate to <https://evoting.karvy.com>
 - ii) Enter the login credentials (i.e.-User-ID & password) mentioned on the Notice. Your Folio No. /DP ID Client ID will be your User-ID.

User – ID	<p><i>For Members holding shares in Demat Form:-</i></p> <p>a) For NSDL:- 8 Character DP ID followed by 8 Digits Client ID</p> <p>b) For CDSL:- 16 digits beneficiary ID</p> <p><i>For Members holding shares in Physical Form:-</i></p> <ul style="list-style-type: none"> • Electronic Voting Event Number (EVEN) followed by Folio Number registered with the Company.
Password	Your Unique password is printed on the AGM Notice / forwarded through the electronic notice via email.
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed, for security reasons.

- iii) Please contact on toll free no. 1-800-34-54-001 for any further clarifications.
- iv) Members can cast their vote online from Friday, September 27, 2019 at 10:00 A.M. to Sunday, September 29, 2019 till 5:00 P.M.
- v) After entering these details appropriately, click on "LOGIN".
- vi) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Fintech Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile no., email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- vii) You need to login again with the new credentials.
 - viii) On successful login, system will prompt to select the 'Event' i.e. 'Company Name'.
 - ix) If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and casted your vote earlier for any company, then your existing login id and password are to be used.
 - x) On the voting page, you will see Resolution Description and against the same the option 'FOR/ AGAINST/ ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/ AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder does not want to cast the vote, select 'ABSTAIN'.
 - xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
 - xiii) Corporate/Institutional Members (corporate /FIs/FII/Trust/Mutual Funds/Banks, etc.) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to csneha.sharma2016@gmail.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no."
 - xiv) In case a person has become the Member of the Company after Friday, August 30, 2019 (cut-off date for dispatch of Notice) and holds the shares of the Company as on the cut-off date (for reckoning voting rights) i.e. Monday, September 23, 2019, they may write to Karvy on the email Id: evoting@karvy.com or to Ms. C. Shobha Anand, Dy. Gen. Manager, Contact No. 040-67162222, at [Unit: Indiabulls Integrated Services Limited] Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, requesting for the User ID and Password. After receipt of the above credentials, please follow the steps mentioned above, to cast the vote. However, if you are already registered with Karvy for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot Password" option available on <https://evoting.karvy.com>
- (i) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 - (j) The Chairman of the Meeting shall, at the Meeting, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - (k) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and shall submit, not later than 48 hours of the conclusion of the Meeting, a consolidated Scrutinizers' report of the total votes cast in favour or against, if any, to the Chairman of the Meeting.
 - (l) The Chairman of the Meeting, on receipt of the Scrutinizers' Report, shall declare the results of the voting forthwith and the results declared along with the Scrutinizers' Report shall be placed on the Company's website www.indiabullsinintegratedservices.com and on the website of Karvy immediately after the result is declared and the Company shall, simultaneously, forward the results to Stock Exchanges.
 - (m) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection, without any fee, at the Registered Office of the Company at Gurugram, during normal business hours (11:00 a.m. to 5:00 p.m.) on all working days except Saturdays, upto and including the date of AGM of the Company.
 - (n) The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. We propose to send all future communications, in electronic mode to the email address provided by you. Shareholders whose e-mail address is not registered with us are requested to please get your e-mail address registered with us, so that your Company can contribute to the safety of environment.

EXPLANATORY STATEMENT IN RESPECT OF THE ORDINARY/SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, READ WITH REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (SEBI LODR), AND APPLICABLE SECRETARIAL STANDARD-2:

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”)/ SEBI LODR/ Secretarial Standard-2, sets out all material/relevant facts relating to the business mentioned at Item Nos. 2 to 8 of the accompanying Notice dated August 28, 2019.

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 60 years, is on the Board of the Company since December 08, 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:

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

During the FY 2018-19, 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 holds 10,000 shares of the Company and is not related to any other director/ Key Managerial Personnel of the Company. Number of board meetings attended by Mr. Mittal during FY 2018-19, is provided in Corporate Governance Report, forming part of the Annual Report 2018-19.

He is also a director on the Board of Indiabulls Housing Finance Limited, Indiabulls Commercial Credit Limited, Indiabulls Trustee Company Limited, Indiabulls Life Insurance Company Limited, Indiabulls Asset Reconstruction Company limited, Indian Commodity Exchange Limited, Indiabulls Consumer Finance Limited, Indiabulls Venture Capital Trustee Company Limited and Transerv Private 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 Risk Management Committee of Indiabulls Housing Finance 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 Indiabulls Consumer Finance Limited; and of Audit Committee of Indiabulls Housing Finance Limited.

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, Mr. Ajit Kumar Mittal (DIN: 02698115), a Non-Executive Director, who retires by rotation and being eligible, offers himself for re-appointment, as a Director liable to retire by rotation.

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: Ordinary Resolution, for re-appointment of M/s Agarwal Prakash & Co., Chartered Accountants (Firm Registration Number: 005975N), as Statutory Auditors of the Company.

The present term of M/s Agarwal Prakash & Co., Chartered Accountants (Firm Registration No. 005975N), the Statutory Auditors of the Company who were appointed by the members at their Seventh Annual General Meeting, held on September 26, 2014, for a period of five years, shall come to an end at the conclusion of the ensuing Twelfth Annual General Meeting of the Company.

The Board of Directors of the Company, on the recommendation of the Audit Committee, recommended for the approval of the members, the re-appointment of the existing auditors M/s Agarwal Prakash & Co. (Firm Registration No. 005975N), as the Statutory Auditors of the Company, for a further period of five years i.e. from the conclusion of ensuing Twelfth Annual General Meeting, until the conclusion of the Seventeenth Annual General Meeting of the Company.

The Audit Committee considered various parameters including performance, capability to serve the diverse businesses of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge and understanding of company's business operations and financial matters, existing association, and found M/s Agarwal Prakash & Co. (Firm Registration No. 005975N) to be best suited to handle the audit of the financial statements of the Company.

The Company has received a certificate from the Auditors to the effect that their continuation as such from the conclusion of this Annual General Meeting until the conclusion of Seventeenth Annual General Meeting is in accordance with the provisions of the Section 141(3)(g) of the Companies Act, 2013. M/s Agarwal Prakash & Co., Chartered Accountants, has also submitted their consent for appointment and also a requisite certificate, pursuant to the provisions of Section 139 & 141 of the Companies Act, 2013, confirming eligibility & satisfaction of criteria for their appointment as statutory auditors of the Company. For the purpose of audit of the Company's accounts, M/s Agarwal Prakash & Co. will be paid annual remuneration/fees of upto ₹ 25,00,000/- (Rupees Twenty Five Lakhs Only) plus taxes as applicable from time to time, for the financial year 2019-20 with the authority / power in favor of the Board/Audit Committee to modify the terms and conditions, including fixation/variation of remuneration for remaining tenure of four years, as may be mutually agreed with the statutory auditors of the Company.

Your Directors recommend the re-appointment of M/s Agarwal Prakash & Co., Chartered Accountants (Firm Registration Number: 005975N), as Statutory Auditors of the Company to hold office as such for a further period of 5 (five) years i.e. from the conclusion of ensuing Twelfth Annual General Meeting, until the conclusion of the Seventeenth Annual General Meeting of the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in this appointment.

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

Upon recommendation of the Board constituted Nomination and Remuneration Committee, the Board has appointed Mr. Praveen Kumar Tripathi a retired IAS and Ex- Chief Secretary, Govt of NCT Delhi (DIN: 02167497), as an Independent Director of the Company for a term of three years from March 28, 2019 upto March 27, 2022.

The main terms and conditions of appointment of Mr. Praveen Kumar Tripathi (DIN: 02167497), as Independent Director of the Company are as under:

Period	3 Years w.e.f. March 28, 2019
Nature	Director, not liable to retire by rotation
Designation	Independent Director
Remuneration	Apart from Sitting Fees- NIL
Performance and Related Incentive	Apart from Sitting Fees- NIL
Sitting fees	Presently ₹ 50,000/- per board meeting

Post appointment of Mr. Praveen Kumar Tripathi, no meeting of Board of Directors was held during the FY 2018-19, therefore no sitting fees was paid to him.

Brief profile of Mr. Praveen Kumar Tripathi is as under:

Mr. Praveen Kumar Tripathi, aged 66 years, is on the Board of the Company since March 28, 2019 as an additional director. He is a retired IAS and Ex-Chief Secretary, Govt of NCT Delhi. 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. Mr. Tripathi does not hold any shares in the Company and he is not related to any other Director/Key Managerial Personnel of the Company.

He is also a director on the Board of Indiabulls Real Estate Limited and JBM Auto Limited. Mr. Tripathi is member of Risk Management Committee of the Company and Indiabulls Real Estate Limited.

The proposed appointment of Independent Director, in the manner as set out in Item No. 4 of this Notice, is in compliance with the applicable provisions of the Companies Act 2013 (“Act”) and of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

The Company has received from the proposed appointee director a declaration to the effect that he fulfills the criteria of independence as provided in Section 149(6) of the Act. In the opinion of the Board, the proposed appointee fulfills the conditions specified in the Act and Rules made thereunder and SEBI LODR for his appointment as an Independent Director of the Company and he is independent of the Management of the Company. Further, the requisite Notice under Section 160 of the Act proposing the appointment of aforesaid independent director has also been received by the Company.

Keeping in view his excellent leadership and guidance abilities skills, vast professional experience in diversified fields including administration, regulatory, public policy matters etc, the Board is of the view that it will be in the interest of the Company that he is appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of three years w.e.f. March 28, 2019. Accordingly, the Board recommends the resolution, as set out at Item No. 4 of this Notice, for the approval of the Members of the Company by way of an Ordinary Resolution.

Except the proposed appointee, in resolution set out at Item No. 4 of this Notice, proposing his 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, 6 & 7: Special Resolutions, for re-appointment of Mr. Shamsher Singh Ahlawat (DIN: 00017480), Mr. Gurrappa Gopalakrishna (DIN: 06407040) and Justice Gyan Sudha Misra (DIN: 07577265) as Independent Directors of the Company

The present term of Mr. Shamsher Singh Ahlawat (DIN: 00017480), Justice (Retd.) Gyan Sudha Misra (DIN: 07577265) and Mr. Gurrappa Gopalakrishna (DIN: 06407040), Independent Directors of the Company, shall come to an end on

September 25, 2019, December 7, 2019 and December 7, 2019, respectively. The Board constituted Nomination and Remuneration Committee (NRC) has evaluated the performance of these Independent Directors and considering their experience and contribution made by them during their tenure, recommended to the Board their re-appointment. Therefore, to ensure continuity of guidance from these Independent Directors, the Board has re-appointed and/ or re-commended their reappointment for the approval of shareholders as Independent Directors of the Company, not liable to retire by rotation, for a term of 3 years from conclusion of their present term.

The main terms and conditions for re-appointment of Mr. Shamsher Singh Ahlawat (DIN: 00017480), Justice (Retd.) Gyan Sudha Misra (DIN: 07577265) and Mr. Gurrappa Gopalakrishna (DIN: 06407040), as Independent Directors of the Company, are as under:

Particulars	Mr. Shamsher Singh Ahlawat (DIN: 00017480)	Justice (Retd.) Gyan Sudha Misra (DIN: 07577265)	Mr. Gurrappa Gopalakrishna (DIN: 06407040)
Period	3 Years w.e.f. September 26, 2019	3 Years w.e.f. December 08, 2019	3 Years w.e.f. December 08, 2019
Nature	Director, not liable to retire by rotation	Director, not liable to retire by rotation	Director, not liable to retire by rotation
Designation	Independent Director	Independent Director	Independent Director
Remuneration	Apart from sitting fees- NIL	Apart from sitting fees- NIL	Apart from sitting fees- NIL
Performance related incentive	Apart from sitting fees-NIL	Apart from sitting fees-NIL	Apart from sitting fees-NIL
Sitting Fees	Presently ₹ 50,000/- per board meeting		

During the financial year ended March 31, 2019, the proposed appointees were paid ₹ 50,000/- (Rupees Fifty Thousand only) for attending each meeting of the Board.

Brief profile of the proposed appointees are as under:

Mr. Shamsher Singh Ahlawat (DIN: 00017480), Independent Director:

Mr. Shamsher Singh Ahlawat, aged 70 years, is on the Board of the Company since April 25, 2011. He is an Ex-banker, retired at a senior managerial position from State Bank of India. He has over 20 years of rich and varied experience at different senior level positions with the Bank in the areas of Commercial Banking, Merchant Banking and Credit Division. Mr. Ahlawat holds a post graduate degree in history from St. Stephens College, New Delhi.

Mr. Ahlawat does not hold any shares in the Company and he is not related to any other Director/Key Managerial Personnel of the Company.

He is also Director on the Board of Indiabulls Real Estate Limited, Indiabulls Housing Finance Limited, Citra Properties Limited, Airmid Aviation Services Limited, Indiabulls Commercial Credit Limited, Indiabulls Infraestate Limited, Indiabulls Constructions Limited and Lucina Land Development Limited. Mr. Ahlawat is Chairman of Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Compensation Committee of the Company, of Audit Committee, Stakeholders' Relationship Committee, Compensation Committee and Corporate Social Responsibility Committee of Indiabulls Housing Finance Limited and of Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee and Compensation Committee of Indiabulls Real Estate Limited. He is also member of Risk Management Committee and Audit Committee of the Company; of Nomination & Remuneration Committee and Risk Management Committee of Indiabulls Housing Finance Limited and of Corporate Social Responsibility Committee and Risk Management Committee of Indiabulls Real Estate Limited. in of Indiabulls Housing Finance Limited and Indiabulls Real Estate Limited; Further, he is also member of Audit Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee of Indiabulls Commercial Credit Limited and Citra Properties Limited; of Audit Committee and Nomination & Remuneration Committee of Indiabulls Infraestate Limited and Airmid Aviation Services Limited; of Stakeholders' Relationship Committee of Indiabulls Commercial Credit Limited and of Nomination & Remuneration Committee and Corporate Social Responsibility Committee of Indiabulls Constructions Limited.

Mr. Gurrappa Gopalakrishna (Ex- Executive Director, Reserve Bank of India, and Director (with the rank of Deputy Governor) CAFRAL), Independent Director (DIN: 06407040)

Mr. Gurrappa Gopalakrishna, aged 63 years, is on the Board of the Company since December 08, 2017. He is an Ex-Executive Director, Reserve Bank of India, and Director (with the rank of Deputy Governor) CAFRAL, worked for over 33 years in the areas of banking regulation and supervision Departments of RBI and thus having all round experience as a Regulator and Supervisor. During his long stint with RBI, he was overseeing the Department of Banking Supervision, Dept. of Non-Banking Supervision, Financial Stability Unit, Department of Communication, Dept. of Information Technology, Secretary's Dept., Foreign Exchange Department, Department of Payment and Settlement System of the RBI. He also headed the Deposit Insurance and Credit Guarantee Corporation. Mr. G. Gopalakrishna is a law graduate and a Certified Associate of Indian Institute of Bankers and also holds degree of Bachelor of Arts.

Mr. G. Gopalakrishna does not hold any shares in the Company and he is not related to any other Director/Key Managerial Personnel of the Company.

He was the Chairman and/or Member of several Working Groups/ Committees set up by the Bank/Government of India. He was RBI's Nominee Director in State Bank of Travancore (now merged with SBI) and ECGC. He is also senior strategic advisor to Yes Bank and Consultant to ISACA, USA.

He is also a director on the Board of ICICI Home Finance Company Limited, West End Housing Finance Limited, Axis Mutual Fund Trustee Limited, Invent Assets Securitisation and Reconstruction Private Limited, Small Industries Development Bank of India (SIDBI) and Risk and Compliance Professionals Association. Mr. Gurrappa Gopalakrishna is Chairman of Audit Committee of West End Housing Finance Limited. He is also member of Audit Committee of the Company, ICICI Home Finance Company Limited, Invent Assets Securitisation and Reconstruction Private Limited and Axis Mutual Fund Trustee Limited; of Corporate Social Responsibility Committee of ICICI Home Finance Company Limited; of Nomination & Remuneration Committee of ICICI Home Finance Company Limited and of Risk Management Committee of Invent Assets Securitisation and Reconstruction Private Limited.

Justice Gyan Sudha Misra (retired Judge of Supreme Court of India), Independent Director (DIN: 07577265)

Justice Gyan Sudha Misra, aged 70 years, is on the Board of the Company since December 08, 2017. She is a retired Judge of Supreme Court of India. Before her elevation to Supreme Court of India, she was the Chief Justice of Jharkhand High Court, prior to which she has also served as a Judge of Patna High Court and of Rajasthan High Court. Before joining the Judiciary, she practiced law for around 21 years in the Supreme Court of India specializing in civil, criminal & constitutional matters. She was also actively associated with the activities of the lawyers and the legal profession and served as a Treasurer, Joint Secretary and Member Executive Committee of the Supreme Court Bar Association, several times. Justice Misra holds Graduate Degree in Law and Post Graduate Degree in Political Science from the Patna University.

Justice Misra does not hold any shares in the Company and she is not related to any other Director/Key Managerial Personnel of the Company.

She is also a director on the Board of Indiabulls Housing Finance Limited, Indiabulls Real Estate Limited, Indiabulls Life Insurance Company Limited and Olectra Greentech Limited. Justice Gyan Sudha Misra (Retd.) is Chairperson of Audit Committee of the Company. She is also member of Nomination & Remuneration Committee, Stakeholders' Relationship Committee and Compensation Committee of the Company; of Audit Committee, Nomination & Remuneration and Compensation Committee of Indiabulls Real Estate Limited and Indiabulls Housing Finance Limited and of Nomination & Remuneration Committee of Olectra Greentech Limited.

Number of board meetings attended by these proposed appointee directors during FY 2018-19, is provided in Corporate Governance Report, forming part of the Annual Report 2018-19. The Company has also received, a declaration from them to the effect that they fulfill the criteria of independence as provided in Section 149(6) of the Act. In the opinion of the Board, and based on the Board's evaluations, the proposed appointees fulfill the conditions specified in the Act and Rules made thereunder and SEBI LODR for their appointment as Independent Directors of the Company and they are independent of the Management of the Company. Upon approval of the shareholders to their appointment as Independent Directors, the appointment of proposed appointees shall be formalized by issuing a letter of appointment to them, which shall be open for inspection by the members at the registered office of the Company, in terms of

applicable provisions of the Act. Further, the requisite Notice under Section 160 of the Act proposing the appointment of these Independent Directors have also been received by the Company.

The proposed re-appointment would enable the Company to comply with the applicable provisions of the Companies Act 2013 and of the SEBI LODR relating to the appointment of Independent Director.

In terms of applicable provisions of the Companies Act, 2013 including Companies (Appointment and Qualification of Directors) Rules, 2014 read with relevant Schedules to the Companies Act, 2013 and SEBI LODR (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, members' approval, by way of Special Resolutions are required for the re-appointments of Independent Directors of the Company.

Accordingly, the Board recommends the resolutions for their re-appointment, as Independent Directors of the Company, for the approval by the shareholders, as Special Resolutions, as set out at Item Nos. 5 to 7 of this Notice. Except the proposed appointees, in respective resolutions proposing their appointments, none of the Directors or Key Managerial Persons of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 5 to 7 of this Notice.

Item No. 8: Special Resolution, for issue of Non- Convertible Debentures and/or Bonds, of the Company, on private placement basis

Since, NCDs represent one of the most cost-effective sources of funding and a reliable means of diversification of funding sources, the shareholders of the Company at their Annual General Meeting held on September 29, 2018 had authorized the Company to issue Non-Convertible Debentures (NCDs) and/or Bonds upto the borrowing limits of ₹ 1,000 Crores. However, in accordance with the applicable laws, the said authorization is valid for one year from the date of approval i.e. up to September 28, 2019. Therefore, approval of Members is being sought to reaffirm the authorization for issue of Non-Convertible Debentures (NCDs) and/or Bonds, upto the borrowing limits of ₹ 1,000 Crores.

Accordingly, pursuant to and in terms of Section 42 of the Companies Act, 2013, read with the Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, approval of the Members is being sought by way of a Special Resolution as set out at Item No. 8 of this Notice, authorizing the Board to issue NCDs and/or Bonds, on a private placement basis, during a period of one year from the date of this Annual General Meeting (AGM) of the Company, upto an aggregate amount not exceeding the borrowing limits of the Company, as per shareholders' authorization, of ₹ 1,000 Crores.

The Board accordingly recommends, passing of the Special Resolution, as set out at Item No. 8 of this Notice, for the approval of the Members of the Company.

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. 8 of this Notice.

By Order of the Board of Directors
For **Indiabulls Integrated Services Limited**

Place: Gurugram
Date: August 28, 2019

Sd/-
Priya Jain
Company Secretary
Membership No.: A19925

Indiabulls Integrated Services Limited

(formerly *SORIL Holdings and Ventures Limited*)

(CIN: L51101HR2007PLC077999)

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

Website: <https://www.indiabullssintegratedservices.com>, E-mail: helpdesk@indiabulls.com Tel: 0124-6681199, Fax: 0124-6681111

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): _____
Registered address: _____
E-mail ID: _____ Folio No. / DP ID _____ Client ID _____

I / We, being the member(s) of _____ Equity Shares of the above named Company, hereby appoint:

1. Name: _____ E-mail ID: _____
Address: _____
Signature: or failing him / her
2. Name: _____ E-mail ID: _____
Address: _____
Signature: or failing him / her
3. Name: _____ E-mail ID: _____
Address: _____
Signature:

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Twelfth Annual General Meeting of the Company, to be held on Monday, the 30th day of September, 2019 at 02:00 P.M. at 'The Plazio Hotel', 292-296, Near City Center, Sector 29, South City, Gurugram-122001, Haryana, and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as indicated below:

RESOLUTION NO.	RESOLUTIONS
ORDINARY BUSINESS	
1.	Adoption of Audited Financial Statements of the Company for the year ended March 31, 2019 and the Reports of Board of Directors and Auditors thereon.
2.	Re-appointment of Mr. Ajit Kumar Mittal (DIN: 02698115), a Non-Executive Director, who retires by rotation and, being eligible offers himself for re-appointment
3.	Re-appointment of M/s Agarwal Prakash & Co., Chartered Accountants (Firm Registration Number: 005975N), as Statutory Auditors of the Company and fixing their remuneration.
SPECIAL BUSINESS	
4.	Appointment of Mr. Praveen Kumar Tripathi, a retired IAS and Ex-Chief Secretary, Govt of NCT Delhi (DIN: 02167497), as an Independent Director of the Company, not liable to retire by rotation, for a period of three years w.e.f. March 28, 2019.
5.	Re-appointment of Mr. Shamsher Singh Ahlawat (DIN: 00017480), as an Independent Director of the Company, not liable to retire by rotation, for a period of three years w.e.f. September 26, 2019.
6.	Re-appointment of Mr. Gurrappa Gopalakrishna (DIN: 06407040) (Ex-Executive Director, Reserve Bank of India, and Director (with the rank of Deputy Governor) CAFRAL), as an Independent Director of the Company, not liable to retire by rotation, for a period of three years w.e.f. December 8, 2019.
7.	Re-appointment of Justice Gyan Sudha Misra (DIN: 07577265) (retired Judge of Supreme Court of India), as an Independent Director of the Company, not liable to retire by rotation, for a period of three years w.e.f. December 8, 2019
8.	Authorization for issue of Non-Convertible Debentures and/or Bonds on a private placement basis, within the borrowing limits of ₹ 1,000 Crores.

Signed this _____ day of _____, 2019

Signature of Shareholder:

Signature of Proxy Holder(s):

Affix
Revenue
Stamp of
Re. 1/-

Note: (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered office mentioned above, not less than 48 hours before the commencement of the Meeting. (2) A Proxy need not be a Member of the Company. (3) A person appointed as Proxy shall act on behalf of not more than 50 (fifty) Members and holding of not more than 10% of the total share capital of the Company carrying voting rights. However, a Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for any other person or Member.

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Indiabulls Integrated Services Limited

(formerly SORIL Holdings and Ventures Limited)

(CIN: L51101HR2007PLC077999)

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

Website: <https://www.indiabullsinintegratedservices.com>, E-mail: helpdesk@indiabulls.com, Tel: 0124-6681199, Fax: 0124-6681111

ATTENDANCE SLIP

Folio No. *	
-------------	--

No. of Shares	
---------------	--

DP ID	
-------	--

Client ID	
-----------	--

Members or their proxies are requested to present this slip in accordance with the Specimen Signatures registered with the Company, at the entrance of the meeting Hall, for admission.

Name of the attending Member / Proxy _____
(in BLOCK LETTERS)

I hereby record my presence at the Twelfth Annual General Meeting of the Company held on Monday, the 30th day of September, 2019 at 02:00 P.M. at 'The Pllazio Hotel', 292-296, Near City Center, Sector 29, South City, Gurugram-122001, Haryana.

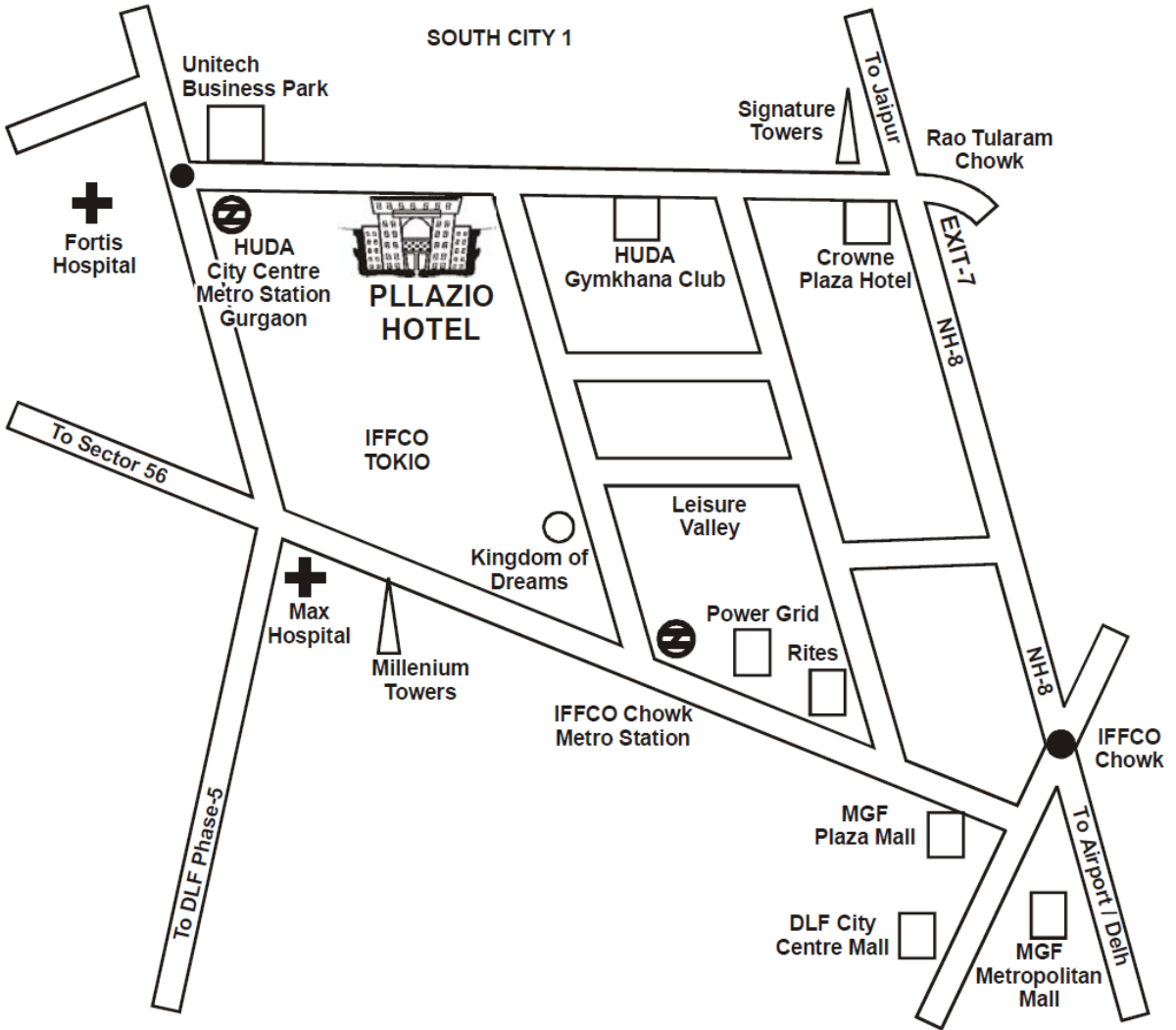
Member's Signature

Proxy's Signature

* Applicable for Members holding shares in Physical form.

MAP OF AGM VENUE

Address: 'The Pllazio Hotel', 292-296, Near City Center, Sector 29, South City, Gurugram-122 001, Haryana



ANNUAL REPORT 2018 2019



Indiabulls
INTEGRATED SERVICES

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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.

Board of Directors

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

B. D. Tapriya
Practising Company Secretary
6C, Friends Apartments,
49, Patparganj, Delhi-110 092

Registrar and Transfer Agent

M/s Karvy Fintech Private Limited
Karvy Selenium, Tower B, Plot No. 31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad - 500 032

Registered Office

Indiabulls House,
448-451, Udyog Vihar, Phase V,
Gurugram – 122016, Haryana
CIN: L51101HR2007PLC077999
Website: www.indiabullsinTEGRATEDservices.com
E-mail: helpdesk@indiabulls.com
Tel: 0124-6681199, Fax: 0124-6681240

Corporate Office

Indiabulls House,
Indiabulls Finance Center,
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

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the Twelfth Annual Report together with audited financial statement of Indiabulls Integrated Services Limited (formerly SORIL Holdings and Ventures Limited) ("the Company") for the financial year ended March 31, 2019.

FINANCIAL HIGHLIGHTS

The highlights of the standalone financial results of the Company for the financial year ended March 31, 2019 are as under:

(Amount in lakhs)

Particulars	For the financial year ended March 31, 2019	For the financial Year ended March 31, 2018
Profit before Tax and Depreciation	3,014.72	731.13
Less: Depreciation and amortization expense	41.00	8.94
Profit before Tax	2,973.74	722.18
Less: Provision for Tax	791.05	495.24
Profit after Tax	2,182.69	226.93
Profit/ (Loss) brought forward	6,191.21	5,964.28
Amount available for appropriation	8,373.90	6,191.21
Less: Appropriations:		
Proposed dividend on preference shares	-	-
Corporate dividend tax thereon	-	-
Interim dividend on equity shares	548.18	-
Corporate dividend tax thereon	112.68	-
Transfer to general reserve	-	-
Balance carried forward to Balance Sheet	7,713.04	6,191.21

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

BUSINESS OVERVIEW

The Company, in the last financial year, decided to venture into new business streams of Life and General Insurance, through its subsidiaries and engaged with the relevant regulatory authorities for obtaining necessary approvals to pursue Life Insurance and General Insurance businesses, alongwith the Consumer Platform and other related financial services activities etc. In this regard, your directors wish to inform you that Indiabulls Life Insurance Company Limited (IBLIC) and Indiabulls General Insurance Limited (IBGIL), company's wholly owned subsidiaries, have received regulatory R1 approval from the Insurance Regulatory and Development Authority of India (IRDAI) for their proposed life insurance and general insurance businesses, respectively. On receipt of R1 approvals from IRDAI by IBLIC and IBGIL, for pursuing proposed Life Insurance and General Insurance business, respectively, the Company, as a pre-requisite to file the application for registration (R2) with IRDAI, infused ₹ 200 crores in IBLIC and ₹ 149 crores in IBGIL. This reflects the Company's and its Promoter's belief and confidence into the upcoming Insurance Business. The Company is now in the process of putting in place the necessary systems and move ahead with the next steps to undertake the proposed life insurance and general insurance business in India.

To capitalize and fund these businesses and to augment Company's long term resources and to improve its financial leveraging strength, the Promoters of the Company, as a reflection of their confidence in the future of the Company, have contributed ₹ 329.34 crores in the Company by subscribing to and exercising convertible warrants, issued in accordance with the members' approval dated December 16, 2017 and applicable SEBI regulations. Further, certain foreign investors, as a reflection of their confidence in the proposed businesses of the Company, have, during the FY 2018-19, invested an aggregate of ₹ 702.78 crores, towards the preferential issue of equity shares of the Company allotted to them in accordance with the members' approval(s) dated May 22, 2018 and June 11, 2018 and applicable SEBI regulations.

The Company, directly and through its subsidiaries, is also engaged in the businesses of real estate development, providing management and maintenance services, construction advisory and other related services, charter business of aircraft, trade in all kinds of sculptures, paintings and art graphics etc.

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 (comprising of life insurance, general insurance and/or other related businesses), the Board of Directors of the Company has approved the composite Scheme of 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 extra 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 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).

The Scheme is subject to all applicable statutory and regulatory approvals, including approval from the stock exchanges, SEBI, shareholders and creditors of the company(ies) involved in the Scheme and the jurisdictional bench of the NCLT. The Company has already filed the Scheme with National Stock Exchange of India Limited and BSE Limited for seeking their & SEBI's NOC to the Scheme, which is awaited.

CHANGE IN THE REGISTERED OFFICE OF THE COMPANY

During the FY 2018-19, post seeking all applicable regulatory approvals, the registered office of the Company was shifted from "National Capital Territory of Delhi" to the "State of Haryana" and w.e.f. January 15, 2019 the registered office of the Company is situated at its corporate office at Plot No. 448-451, Udyog Vihar, Phase-V, Gurgaon-122016, Haryana, which is providing effective and smooth conduct of the Company's operations economically, viably and efficiently at reduced cost with better administrative control, supervision and convenience.

DIVIDEND

To reward its shareholders, the Board of Directors of the Company at its meeting held on May 2, 2018, declared and paid an interim dividend of ₹ 1/- per share on equity shares having face value of ₹ 2/- each for FY 2017-18. However, with a view to capitalize funds for future business requirements, the Board has not declared or recommended any dividend for FY 2018-19.

The Company has formulated the Dividend Distribution Policy, in compliance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "SEBI LODR"), which is also available on the website of the Company, at web-link:

https://www.indiabullsinTEGRATEDSERVICES.COM/pdf/Dividend_Distribution_Policy.pdf

DIRECTORS & KEY MANAGERIAL PERSONNEL

During the FY 2018-19, Mr. Praveen Kumar Tripathi, a retired IAS and Ex- Chief Secretary, Govt of NCT Delhi (DIN: 02167497) was appointed as an Independent Director, on the Board of the Company for a period of three years, w.e.f. March 28, 2019.

Mr. Praveen Kumar Tripathi, being Additional Director, holds office as such upto the date of ensuing Annual General Meeting. Keeping in view his excellent leadership and guidance abilities, skill sets, vast professional experience in diversified fields including management, administration, regulatory, public policy matters etc, the Board recommends his appointment as an Independent Director of the Company, not liable to retire by rotation, for a period of three years w.e.f. March 28, 2019.

The present term of Mr. Shamsheer Singh Ahlawat (DIN: 00017480), Justice (Retd.) Gyan Sudha Misra (DIN: 07577265) and Mr. Gurrappa Gopalakrishna (DIN: 06407040), Independent Directors of the Company, shall come to an end on September 25, 2019, December 7, 2019 and December 7, 2019, respectively. The Board constituted Nomination and Remuneration Committee (NRC) has evaluated the performance of these Independent Directors and considering their experience and contribution made by them during their tenure, recommended to the Board their re-appointment. Therefore, to ensure continuity of guidance from these Independent Directors, the Board has re-appointed and/or recommended their re-appointment for the approval of shareholders as Independent Directors of the Company, not liable to retire by rotation, for a term of 3 years from conclusion of their present term. Upon getting approval of the shareholders for their appointment as Independent Directors, their appointment shall be formalized by issuing a letter of appointment to them, which shall

Directors' Report (contd.)

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.

All the present Independent Directors of the Company have given declaration that they meet the Criteria of Independence laid down under Section 149(6) of the Companies Act, 2013.

The matter relating to appointment/ re-appointment of aforementioned directors have been included in the Notice convening the 12th Annual General Meeting of the Company. The brief resume of the Directors proposed to be appointed/ reappointed, 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, are provided in the Notice convening the 12th Annual General Meeting of the Company.

SHARE CAPITAL

During the FY 2018-19, the Company, pursuant to and in terms of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, issued and allotted an aggregate 3,45,07,076 fully paid equity shares of face value of ₹ 2 each ('Equity Shares'), as per following details:

- i) on May 28, 2018 an aggregate of 1,75,00,000 Equity Shares were allotted, out of which, 1,00,00,000 Equity Shares were allotted at an issue price of ₹ 330 (including a premium of ₹ 328) per Equity Share to certain foreign portfolio investors, registered with the SEBI, pursuant to and in terms of shareholders' approval dated May 22, 2018, and 75,00,000 Equity Shares were allotted at a conversion price of ₹ 132 (including a premium of ₹ 130) per Equity Share to certain Promoter Group Entities of the Company, upon exercise/conversion of equivalent number of warrants, which were allotted to them pursuant to and in terms of shareholders' approval dated December 16, 2017; and
- ii) on June 25, 2018 an aggregate of 1,70,07,076 Equity Shares were allotted, out of which, 70,07,076 Equity Shares were allotted at an issue price of ₹ 532 (including a premium of ₹ 530) per Equity Share to certain foreign investors, pursuant to and in terms of shareholders' approval dated June 11, 2018 and 1,00,00,000 Equity Shares were allotted at a conversion price of ₹ 132 (including a premium of ₹ 130) per Equity Share to certain Promoter Group Entities of the Company, upon exercise/conversion of equivalent number of warrants, which were allotted to them pursuant to and in terms of shareholders' approval dated December 16, 2017.

On March 28, 2019, the entire outstanding 25,17,700 Redeemable Non-Convertible Preference Shares of the Company were redeemed.

The paid up equity share capital of the Company as on March 31, 2019, was ₹ 17,86,51,138 comprising of 8,93,25,569 equity shares of face value of ₹ 2/- each.

Further, in order to not alter the capital structure of the Company, ahead of the on-going composite scheme of arrangement amongst the Company, its direct and indirect subsidiaries and Indiabulls Pharmaceuticals Limited, and their respective shareholders and creditors, which was approved by the Board of Directors of the Company on January 29, 2019 ("Scheme"), on which the regulatory approvals are underway, and with a view to avoid any delay in implementation of the Scheme, which may occur due to change in share capital of the Company upon conversion of convertible warrants (which were issued by the Company on 2nd January 2018 i.e. around a year prior to the approval of the Scheme), the warrant-holder promoter entities (namely Powerscreen Media Private Limited, Calleis Real Estate Private Limited, Calleis Constructions Private Limited and Calleis Properties Private Limited) had decided to forego their rights of conversion of their entire outstanding convertible warrants into equity shares of the Company. With this, in accordance with the terms of issuance of these warrants, the entire outstanding convertible warrants stood lapsed on June 29, 2019, and the aggregate of ₹44.22 Cr (being 25% upfront money paid by the warrant-holders to the Company at the time of allotment of these warrants) was forfeited by the Company.

EMPLOYEE STOCK OPTIONS

During the FY 2018-19, on August 9, 2018, the Company has granted 10,00,000 (Ten Lakhs) stock options under the Company's ESOP Scheme-2018, at an exercise price of ₹ 489.35 per option, to certain eligible employees.

As on March 31, 2019, an aggregate of 55,66,600 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. The disclosures required to be made in compliance with the applicable regulations have been placed on the website of the Company www.indiabullsin Integrated services.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 2019-20 have been paid.

AUDITORS

(a) Statutory Auditors

The present term of M/s Agarwal Prakash & Co., Chartered Accountants (Firm Registration No. 005975N), the Statutory Auditors of the Company who were appointed by the members at their Seventh Annual General Meeting, held on September 26, 2014, for a period of five years, shall come to an end on the conclusion of the ensuing Twelfth Annual General Meeting of the Company. It is proposed to re-appoint the existing auditors M/s Agarwal Prakash & Co. (Firm Registration No. 005975N), as the Statutory Auditors of the Company, for a further period of five years i.e. from the conclusion of ensuing Twelfth Annual General Meeting, until the conclusion of the Seventeenth Annual General Meeting of the Company. The Company has received a certificate from the Auditors to the effect that their continuation as such from the conclusion of this Annual General Meeting until the conclusion of Seventeenth Annual General Meeting will be in accordance with the provisions of the Section 141(3)(g) of the Companies Act, 2013.

The Auditors' Report forming part of this Annual Report is self-explanatory and therefore do not call for any further explanation. 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 has appointed Mr. B.D. Tapriya, a Practising Company Secretary as its Secretarial Auditor, to conduct the secretarial audit of the Company, for the Financial Year 2018-19. The Company has provided all assistance, facilities, documents, records and clarifications etc. to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for the Financial Year 2018-19, is annexed as Annexure 1, forming part of this Report. The Secretarial Compliance Report as prescribed by SEBI is annexed as Annexure 2, forming part of this Report. The Reports are self-explanatory and therefore do not call for any further explanation.

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.indiabullsin Integrated services.com/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 Practising Company Secretary confirming compliance, is presented in a separate section forming part of this Annual Report.

Directors' Report (contd.)

BUSINESS RESPONSIBILITY REPORT

Regulation 34 of the SEBI LODR mandates inclusion of the Business Responsibility Report (BRR) as part of the Annual Report for top 500 listed entities based on market capitalization. In compliance with the regulation, the BRR for the FY 2018-19 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, 2019, 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, 2019 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.

EXTRACT OF ANNUAL RETURN

In terms of Sections 92(3) and 134(3) of the Companies Act, 2013 and rules framed thereunder, Extract of the Annual Return for the Financial Year ended 31st March, 2019 is annexed as Annexure 4, forming part of this Report and is also available at website of the Company, at web-link: https://www.indiabullsinintegratedservices.com/pdf/Annual_Return.pdf

BOARD MEETINGS

During the FY 2018-19, 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. 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 29, 2019, 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, 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 29, 2019. The Directors expressed their satisfaction with the evaluation process.

Also the Executive Director 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.

REMUNERATION POLICY

The Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration on the recommendation of Nomination and Remuneration Committee. 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.indiabullsin Integrated Services.com/pdf/Remuneration%20Policy_IBULISL.pdf.

LOANS, GUARANTEES OR INVESTMENTS

During the FY 2018-19, 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 2018-19 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.

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. 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.indiabullsin Integrated Services.com/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, 2019 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:

Directors' Report (contd.)

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 following measures are undertaken:

- (a) Replacing all of its lighting system with LEDs, which is expected to slash related electricity consumption by over 50%.
- (b) Installation of five star energy conservation air conditioning systems.
- (c) Installation of automatic power controllers to save maximum demand charges and energy.
- (d) Installation of TFT monitors that saves power.
- (e) Periodic Training sessions for employees on ways to conserve energy in their individual roles.

B. Technology Absorption

The nature of business being carried out by the Company entails an extensive use of effective information technology so as to ensure that its services reach the end users i.e. its clients without any loss of time. The Company has implemented 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.

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, the Company has formulated 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.

Based on the Market Capitalisation as on March 31, 2019, the Company being amongst the Top 500 listed entities, has constituted a Risk Management Committee in compliance with Regulation 21 of the SEBI LODR, details of which are disclosed in the Corporate Governance Report forming part of this Annual Report.

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 5, 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 Directors' 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.indiabullsintegratedservices.com/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 Statement along with all its subsidiaries, in the same form and manner, as that of the Company, which shall be laid before its ensuing Twelfth Annual General Meeting along with its Standalone Financial Statement. The Consolidated Financial Statements of the Company along with its subsidiaries, for the year ended March 31, 2019, form part of this Annual Report.

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 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 2018-19, following companies became direct/ indirect subsidiaries of the Company:

1. Indiabulls Enterprises Limited
2. Indiabulls Pharmacare Limited
3. Indiabulls Rural Finance Private Limited

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 considering, evaluating and implementing 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 2018-19, no case of sexual harassment was reported.

Directors' Report (contd.)

UTILIZATION OF PROCEEDS OF PREFERENTIAL ISSUE

The Company had, during FY 2018-19, raised an aggregate amount of ₹ 1032.12 crores through preferential issues, out of which, as at June 30, 2019, ₹ 903.40 crores has been utilized towards capitalization/ funding company's wholly owned subsidiaries, as per stated objects of the issues, and balance ₹ 128.72 crores has been invested in interest bearing instruments/deposits till deployment for the stated objects of the issues, as the Company awaits regulatory approvals to undertake the proposed life insurance and general insurance business, through its wholly-owned subsidiaries.

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, 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.indiabullsintegratedservices.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

Electronic copies of the Annual Report 2018-19 and Notice of the Twelfth AGM are being sent to all the members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2018-19 and Notice of the Twelfth AGM will be sent in the permitted mode.

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 Twelfth 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 the SEBI LODR. The instructions for e-voting are provided in the AGM Notice.

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: August 14, 2019
Place : Gurugram

Manvinder Singh Walia
Executive Director
DIN: 07988213

Ajit Kumar Mittal
Director
DIN: 02698115

SECRETARIAL AUDIT REPORT

ANNEXURE-1

For the Financial Year ended on March 31, 2019

[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 Integrated Services Limited
(formerly SORIL Holdings and Ventures Limited)
Plot No. 448-451, Udyog Vihar, Phase-V,
Gurugram-122016, Haryana

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

Based on my 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, I hereby report that in my opinion, the Company, has during the audit period covering the financial year ended on 31.03.2019 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.

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the Year ended 31.03.2019 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, 2009
 - (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, 1998
 - (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

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.

Directors' Report (contd.)

It is further reported that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non – Executive Directors, 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.

I 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.

I further report that during the audit period the Company has:

- (a) altered the Memorandum of Association (MOA) of the Company by inserting new sub-clause 6, in addition to the existing sub clauses 1 to 5, pursuant to shareholder's authorization in Extraordinary General Meeting held on 14th May, 2018.
- (b) changed the name of the Company from 'SORIL Holdings and Ventures Limited' to 'Indiabulls Integrated Services Limited' and consequential amendment to Memorandum of Association and Articles of Association of the Company, pursuant to shareholder's authorization in Extraordinary General Meeting held on 14th May, 2018.
- (c) shifted the registered office of the Company from "National Capital Territory of Delhi" to the "State of Haryana" and consequent amendment to Memorandum of Association of the Company pursuant to approval of members at Extra Ordinary General Meeting held on 20th August, 2018.
- (d) Increased the paid-up Equity Share Capital of the Company to ₹ 17,86,51,138 divided into 8,93,25,569 equity shares of face value of ₹ 2/- each, consequent to:
 1. issuance and allotment of 1,75,00,000 fully paid up equity shares of face value of ₹ 2/- each of the Company ('Equity Shares'), out of which, 1,00,00,000 Equity Shares were allotted at an issue price of ₹ 330 (including a premium of ₹ 328) per Equity Share, to certain foreign portfolio investors, registered with the SEBI, pursuant to and in terms of shareholders' approval dated May 22, 2018 and 75,00,000 Equity Shares were allotted at a conversion price of ₹ 132 (including a premium of ₹ 130) per Equity Share to certain Promoter Group Entities of the Company, upon exercise/conversion of equivalent number of warrants, which were allotted to them pursuant to and in terms of shareholders' approval dated December 16, 2017;
 2. issuance and allotment of 1,70,07,076 fully paid up equity shares of face value of ₹ 2/- each of the Company ('Equity Shares'), out of which, 70,07,076 Equity Shares were allotted at an issue price of ₹ 532 (including a premium of ₹ 530) per Equity Share, to certain foreign investors, pursuant to and in terms of shareholders' approval dated June 11, 2018 and 1,00,00,000 Equity Shares were allotted at a conversion price of ₹ 132 (including a premium of ₹ 130) per Equity Share to certain Promoter Group Entities of the Company, upon exercise/conversion of equivalent number of warrants, which were allotted to them pursuant to and in terms of shareholders' approval dated December 16, 2017.
- (e) approved the composite Scheme of 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, which aims 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 (comprising of life insurance, general insurance and/or other related businesses)

B. D. TAPRIYA

Company Secretary

C.P. No.: 2059

FCS No.: 1416

Place: New Delhi

Date: July 15, 2019

ANNEXURE 2

**SECRETARIAL COMPLIANCE REPORT OF INDIABULLS INTEGRATED SERVICES LIMITED
(FORMERLY SORIL HOLDINGS AND VENTURES LIMITED) FOR THE YEAR ENDED 31ST MARCH, 2019**

I, B. D. Tapriya, **Company Secretary** have examined:

- (a) all the documents and records made available to us and explanation provided by Indiabulls Integrated Services 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, 2019 ("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, 2009 (till November 9, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (w.e.f. November 10, 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, I 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 my 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:

Directors' Report (contd.)

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				

Place: New Delhi
Date: May 28, 2019

B. D. TAPRIYA
Company Secretary
C.P. No.: 2059
FCS No.: 1416

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the Company's CSR Policy, including overview of projects or programs, proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.**

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.

CSR Policy is as posted at the website of the Company at [web link: https://www.indiabullsinintegratedservices.com/pdf/CSR%20Policy.pdf](https://www.indiabullsinintegratedservices.com/pdf/CSR%20Policy.pdf)

2. **Composition of the CSR Committee.**

Mr. Shamsheer Singh Ahlawat, Chairman (Independent Director)

Mr. Ajit Kumar Mittal, Member (Non-Executive Director)

Mr. Manvinder Singh Walia, Member (Executive Director)

3. **Average Net Profit of the Company for last three financial years:** ₹ 163.66 lakhs

4. **Prescribed CSR expenditure (two percent of the amount as in item 3 above):** ₹ 3.30 lakhs

5. **Details of CSR expenditure for the financial year 2018-19:**

(a) **Total amount spent for the financial year:** ₹ 3.30 lakhs

(b) **Amount unspent, if any:** Nil

(c) **Manner in which the amount spent during the financial year is detailed below:**

(Amount in ₹)

1 Sr. No.	2 Project or activity identified	3 Sector in which the project is covered	4 Projects or Programs		5 Amount outlay (budget) projects or programmewise	6 Amount spent on projects or programs Sub Heads:		7 Cumulative expenditure up to 31st March, 2019	8 Amount spent directly or through implementing agency
			District	State		Direct Exp. on Project or programmewise	Over heads		
1	Medical Aid to Poor and under- privileged people	Health	Pan India	Pan India	3,30,000	1,00,000	-	1,00,000	Implementing Agency (Indiabulls Foundation)
	TOTAL				3,30,000	1,00,000	-	1,00,000	

6. **In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in Board's report.**

During the financial year 2018-19, the Company has contributed its entire CSR expenditure aggregating to ₹ 3.30 lakhs to the corpus of Indiabulls Foundation, for undertaking CSR projects, on its behalf.

Directors' Report (contd.)

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and Policy of the Company.

The Company understands that for it to continue to prosper over the long term, the community, environment and society at large must also prosper. During the financial year 2018-19, the implementation and monitoring of CSR Policy of the Company were environmental friendly and in compliance with the applicable laws, CSR objectives and Policy of the Company.

For Indiabulls Integrated Services Limited

Date: August 14, 2019	Manvinder Singh Walia Executive Director	Ajit Kumar Mittal Director	Shamsher Singh Ahlawat Independent Director
Place: Gurugram	Member - CSR Committee DIN: 07988213	Member - CSR Committee DIN: 02698115	Chairman - CSR Committee DIN: 00017480

ANNEXURE 4

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2019

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014]

I REGISTRATION & OTHER DETAILS

i	CIN	L51101HR2007PLC077999
ii	Registration Date (Date of Incorporation)	24-July-2007
iii	Name of the Company	Indiabulls Integrated Services Limited (formerly SORIL Holdings and Ventures Limited)
iv	Category/Sub-category of the Company	Public Company/Company Limited by Shares
v	Address of the Registered office & contact details	Plot No. 448-451 Udyog Vihar, Phase-V, Gurgaon-122016, Haryana Tel: (0124) 6681199, Fax: (0124) 6681111
vi	Whether listed company	Yes
vii	Name, Address & contact details of Registrar & Transfer Agent, if any	Karvy Fintech Private Limited (Unit: Indiabulls Integrated Services Limited) Karvy Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032 Tel : 040-67162222, Fax: 040-23001153 E-mail: einward.ris@karvy.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name & Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	NONE	N.A.	N.A.

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable section
1	SORIL Infra Resources Limited Plot No. 448-451, Udyog Vihar, Phase-V, Gurgaon – 122016, Haryana	L52190HR2005PLC077960	Subsidiary	64.71	Section 2(87) of Companies Act, 2013
2	Lucina Infrastructure Limited Plot No. 448-451, Udyog Vihar, Phase-V, Gurgaon – 122016, Haryana	U70109HR2006PLC077548	Subsidiary	100.00	Section 2(87) of Companies Act, 2013
3	Sentia Properties Limited Plot No. 448-451, Udyog Vihar, Phase-V, Gurgaon – 122016, Haryana	U45400HR2007PLC077310	Subsidiary	100.00	Section 2(87) of Companies Act, 2013
4	Albasta Wholesale Services Limited Plot No. 448-451, Udyog Vihar, Phase-V, Gurgaon – 122016, Haryana	U51101HR2008PLC077305	Subsidiary	100.00	Section 2(87) of Companies Act, 2013
5	Mahabala Infracon Private Limited Plot No. 448-451, Udyog Vihar, Phase-V, Gurgaon – 122016, Haryana	U70102HR2014PTC077948	Subsidiary	100.00	Section 2(87) of Companies Act, 2013
6	Ashva Stud And Agricultural Farms Limited Plot No. 448-451, Udyog Vihar, Phase-V, Gurgaon – 122016, Haryana	U74999HR2015PLC077307	Subsidiary	100.00	Section 2(87) of Companies Act, 2013
7	Indiabulls Life Insurance Company Limited M - 62 & 63, First Floor, Connaught Place, New Delhi - 110001	U66000DL2007PLC171001	Subsidiary	100.00	Section 2(87) of Companies Act, 2013

Directors' Report (contd.)

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable section
8	Indiabulls General Insurance Limited M - 62 & 63, First Floor, Connaught Place, New Delhi - 110001	U66000DL2018PLC328939	Subsidiary	100.00	Section 2(87) of Companies Act, 2013
9	Airmid Aviation Services Limited M - 62 & 63, First Floor, Connaught Place, New Delhi - 110001	U62200DL2007PLC166080	Subsidiary	Nil	Section 2(87) of Companies Act, 2013
10	Store One Infra Resources Limited Plot No. 448-451, Udyog Vihar, Phase-V, Gurgaon – 122016, Haryana	U33100HR2015PLC078058	Subsidiary	Nil	Section 2(87) of Companies Act, 2013
11	Indiabulls Enterprises Limited Plot No. 448-451, Udyog Vihar, Phase-V, Gurgaon – 122016, Haryana	U71290HR2019PLC077579	Subsidiary	100.00	Section 2(87) of Companies Act, 2013
12	Indiabulls Pharmacare Limited Plot No. 448-451, Udyog Vihar, Phase-V, Gurgaon – 122016, Haryana	U24290HR2019PLC077935	Subsidiary	Nil	Section 2(87) of Companies Act, 2013
13	Indiabulls Rural Finance Private Limited Indiabulls Finance Centre, Tower-1, 10th Floor CS 612/613, S.B. Marg, Elphinstone Mumbai - 400013, Maharashtra	U74140MH1993PTC074596	Subsidiary	Nil	Section 2(87) of Companies Act, 2013

IV. (i) Shareholding Pattern (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/HUF	1,50,000	0	1,50,000	0.27	1,50,000	0	1,50,000	0.17	-0.10
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	2,09,83,988	0	2,09,83,988	38.28	3,84,83,988	0	3,84,83,988	43.08	4.80
e) Bank/FI	0	0	0	0.00	0	0	0	0	0.00
f) Any other	0	0	0	0.00	0	0	0	0	0.00
SUB TOTAL:(A) (1)	2,11,33,988	0	2,11,33,988	38.55	3,86,33,988	0	3,86,33,988	43.25	4.70
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	2,11,33,988	0	2,11,33,988	38.55	3,86,33,988	0	3,86,33,988	43.25	4.70
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	19	0	19	0.00	0.00
b) Banks/FI	17,986	0	17,986	0.03	1,686	0	1,686	0.00	-0.03
c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
d) State Government	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs/FPIs	28,15,363	0	28,15,363	5.14	2,10,19,916	0	2,10,19,916	23.53	18.39
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(1):	28,33,349	0	28,33,349	5.17	2,10,21,621	0	2,10,21,621	23.53	18.36
(2) Non Institutions									
a) Bodies Corporate									
i) Indian	74,76,472	0	74,76,472	13.64	84,60,819	0	84,60,819	9.47	-4.17
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 Lakh	1,19,95,813	5,238	1,20,01,051	21.89	1,09,33,425	4,802	1,09,38,227	12.25	-9.64
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,05,77,599	-	1,05,77,599	19.30	89,03,879	-	89,03,879	9.97	-9.33
c) Others (specify)									
i) Non-Resident Indians	5,87,250	1	5,87,251	1.07	6,36,265	1	6,36,266	0.71	-0.36
ii) Foreign Nationals	0	15,000	15,000	0.03	0	15,000	15,000	0.02	-0.01
iii) Clearing Members	77,446	0	77,446	0.14	81,577	0	81,577	0.09	-0.05
iv) NBFCs registered with RBI	1,16,337	0	1,16,337	0.21	4,192	0	4,192	0.00	-0.21
v) Foreign Company	0	0	0	0.00	6,30,000	0	6,30,000	0.71	0.71
SUB TOTAL (B)(2):	3,08,30,917	20,239	3,08,51,156	56.28	2,96,50,157	19,803	2,96,69,960	33.22	-23.06
Total Public Shareholding (B)= (B)(1)+(B)(2)	3,36,64,266	20,239	3,36,84,505	61.45	5,06,71,778	19,803	5,06,91,581	56.75	-4.70
C. Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter group	0	0	0	0.00	0	0	0	0.00	0.00
Public	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	5,47,98,254	20,239	5,48,18,493	100.00	8,93,05,766	19,803	8,93,25,569	100.00	0.00

Directors' Report (contd.)

(ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year [^]
		No. of shares	% of total shares of the company [^]	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company [^]	% of shares pledged/encumbered to total shares	
1.	Mr. Sameer Gehlaut	150,000	0.27	0.00	150,000	0.17	0.00	-0.10
2.	Kritikka Infrastructure Private Limited	85,53,576	15.60	0.00	85,53,576	9.58	0.00	-6.02
3.	Jyestha Infrastructure Private Limited	83,30,412	15.20	0.00	83,30,412	9.33	0.00	-5.87
4.	Powerscreen Media Private Limited	10,25,000	1.87	0.00	54,00,000	6.05	0.00	4.18
5.	Calleis Real Estate Private Limited	10,25,000	1.87	0.00	54,00,000	6.05	0.00	4.18
6.	Calleis Constructions Private Limited	10,25,000	1.87	0.00	54,00,000	6.05	0.00	4.18
7.	Calleis Properties Private Limited	10,25,000	1.87	0.00	54,00,000	6.05	0.00	4.18
8.	Karanbhumi Estates Private Limited*	0	0.00	0.00	0	0.00	0.00	0.00
9.	Meru Minerals Private Limited*	0	0.00	0.00	0	0.00	0.00	0.00
10.	Dahlia Infrastructure Private Limited*	0	0.00	0.00	0	0.00	0.00	0.00
11.	Galax Minerals Private Limited*	0	0.00	0.00	0	0.00	0.00	0.00
	TOTAL	2,11,33,988	38.55	0.00	3,86,33,988	43.25	0.00	4.70

* acting as PACs with the Promoters.

[^] rounded off upto two decimals.

(iii) Change in Promoters' Shareholding (specify if there is no change)

	Shareholding		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	2,11,33,988	38.55	-	-
Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/ sweat equity etc.)#	-	#	-	#
At the end of the year	3,86,33,988	43.25	-	-

* Date wise increase/decrease in Promoter Shareholding

Sl. No.	Name of the Promoter	Shareholding of Promoters		Date	Increase/ (Decrease)	Reason of such Change	Cumulative Shareholding during the year (01.04.2018-31.03.2019)	
		No. of Shares at the beginning (01.04.2018)	% of total Shares of the Company [^]				No. of Shares	% of total Shares of the Company [^]
1.	Mr. Sameer Gehlaut	1,50,000	0.27	-	-	-		
		At the end of the year (31.03.2019)						1,50,000
2.	Kritikka Infrastructure Private Limited	85,53,576	15.60					
		At the end of the year (31.03.2019)						85,53,576
3.	Jyestha Infrastructure Private Limited	83,30,412	15.20	-	-	-		
		At the end of the year (31.03.2019)						83,30,412
4.	Powerscreen Media Private Limited	10,25,000	1.87	-	-	-		
				May 28, 2018	18,75,000	conversion of warrants	29,00,000	3.25
				June 25, 2018	25,00,000		54,00,000	6.05
		At the end of the year (31.03.2019)						54,00,000
5.	Calleis Real Estate Private Limited	10,25,000	1.87	-	-	-		
				May 28, 2018	18,75,000	conversion of warrants	29,00,000	3.25
				June 25, 2018	25,00,000		54,00,000	6.05
		At the end of the year (31.03.2019)						54,00,000
6.	Calleis Constructions Private Limited	10,25,000	1.87	-	-	-		
				May 28, 2018	18,75,000	conversion of warrants	29,00,000	3.25
				June 25, 2018	25,00,000		54,00,000	6.05
		At the end of the year (31.03.2019)						54,00,000
7.	Calleis Properties Private Limited	10,25,000	1.87	-	-	-		
				May 28, 2018	18,75,000	conversion of warrants	29,00,000	3.25
				June 25, 2018	25,00,000		54,00,000	6.05
		At the end of the year (31.03.2019)						54,00,000
8.	Karanbhumi Estates Private Limited	0	0.00	-	-	-	0	0.00
		At the end of the year (31.03.2019)						0

Directors' Report (contd.)

Sl. No.	Name of the Promoter	Shareholding of Promoters		Date	Increase/ (Decrease)	Reason of such Change	Cumulative Shareholding during the year (01.04.2018-31.03.2019)	
		No. of Shares at the beginning (01.04.2018)	% of total Shares of the Company [^]				No. of Shares	% of total Shares of the Company [^]
9.	Meru Minerals Private Limited	0	0.00	-	-	-	0	0.00
		At the end of the year (31.03.2019)					0	0.00
10.	Dahlia Infrastructure Private Limited	0	0.00	-	-	-	0	0.00
		At the end of the year (31.03.2019)					0	0.00
11.	Galax Minerals Private Limited	0	0.00	-	-	-	0	0.00
		At the end of the year (31.03.2019)					0	0.00

^{*} effect of conversion of Warrants.

[^] rounded off upto two decimals.

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)[^]

Sl No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Steadview Capital Mauritius Limited [§]	0	0	8253187	9.24
2.	TIMF Holdings [#]	1197424	2.18	3147424	3.52
3.	ABG Capital [§]	0	0.00	2939090	3.29
4.	LTR Focus Fund [§]	0	0.00	2034347	2.28
5.	Chartered Finance & Leasing Limited [#]	1408872	2.57	1408872	1.58
6.	Kifs Trade Capital Private Limited - Collateral AC [§]	0	0.00	900000	1.01
7.	Tosca Master [§]	0	0.00	892500	1.00
8.	Aptus Global Financials Fund [§]	0	0.00	815000	0.91
9.	Madhusudan Murlidhar Kela [#]	767415	1.40	767415	0.86
10.	Amit Goel [#]	809276	1.48	702331	0.79
11.	Padmanabh Realities LLP [*]	1047940	1.91	435940	0.49
12.	Riddhi Portfolio Private Limited [*]	900000	1.64	450000	0.50
13.	Sushil Bahety [*]	542166	0.99	541966	0.61
14.	Four Dimensions Securities (India) Ltd [*]	520000	0.95	50	0.00
15.	BNP Paribas Arbitrage [*]	510336	0.93	673906	0.75
16.	Ashish Damani [#]	501544	0.91	490644	0.55

[§]Top 10 shareholders as on March 31, 2019 only.

[#]Top 10 shareholders as on March 31, 2018 only.

^{*}Top 10 shareholders as on April 1, 2018 and March 31, 2019.

[^]99.98% of paid-up Equity share capital of the Company is held in dematerialized form. These are traded on a daily basis at BSE & NSE; hence, date wise increase/decrease in shareholding is not indicated.

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding			Date wise Increase/ Decrease in shareholding during the year specifying the reasons for increase/ decrease	Cumulative Shareholding during the year (01-Apr-2018 to 31-Mar-2019)	
		Date [beginning of the year (01-Apr-2018)/ end of the year (31-Mar-2019)]	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
A. Shareholding of Directors							
1.	Mr. Manvinder Singh Walia, Executive Director	01-Apr-2018	0	0.00	-	0	0.00
		31-Mar-2019	0	0.00	-	0	0.00
2.	Mr. Ajit Kumar Mittal, Non-Executive Director	01-Apr-2018	0	0.00	11-Sep-2018 to 12-Sep-2018 Market Purchase of 10,000 shares	0	0.00
		31-Mar-2019	10,000	0.01		10,000	0.01
3.	Mr. Akshay Gupta* Non-Executive Director	01-Apr-2018	0	0.00	-	0	0.00
		31-Mar-2019	*	-	-	-	-
4.	Mr. Gurruppa Gopalakrishna, Independent Director	01-Apr-2018	0	0.00	-	0	0.00
		31-Mar-2019	0	0.00	-	0	0.00
5.	Justice Gyan Sudha Misra (Retd.), Independent Director	01-Apr-2018	0	0.00	-	0	0.00
		31-Mar-2019	0	0.00	-	0	0.00
6.	Mr. Shamsher Singh Ahlawat, Independent Director	01-Apr-2018	0	0.00	-	0	0.00
		31-Mar-2019	0	0.00	-	0	0.00
7.	Praveen Kumar Tripathi# Independent Director	01-Apr-2018	#	-	-	-	-
		31-Mar-2019	0	0.00	-	0	0.00
B. Shareholding of KMPs other than MD/ WTD/ Manager							
1.	Mr. Saurabh Garg Chief Financial Officer	01-Apr-2018	0	0.00	-	0	0.00
		31-Mar-2019	0	0.00	-	0	0.00
2.	Ms. Priya Jain Company Secretary	01-Apr-2018	0	0.00	-	0	0.00
		31-Mar-2019	0	0.00	-	0	0.00

* ceased to be director of the Company during FY 2018-19

appointed as director on the Board of the Company during FY 2018-19

Directors' Report (contd.)

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in ₹)

		Secured Loans excluding deposit	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	Nil	Nil	Nil	Nil
ii)	Interest due but not paid	Nil	Nil	Nil	Nil
iii)	Interest accrued but not due	Nil	Nil	Nil	Nil
	Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year					
Additions / (Reduction)					
i)	Additions	Nil	Nil	Nil	Nil
ii)	Reduction	Nil	Nil	Nil	Nil
	Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year					
i)	Principal Amount	Nil	Nil	Nil	Nil
ii)	Interest due but not paid	Nil	Nil	Nil	Nil
iii)	Interest accrued but not due	Nil	Nil	Nil	Nil
	Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (in ₹)
1	Gross salary	Mr. Manvinder Singh Walia, Executive Director	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission (as % of profit/others)	-	-
5	Others	-	-
	Total (A)	-	-
	Ceiling as per the Act	Not Applicable as no remuneration was paid to any of the Directors of the Company during the year ended March 31, 2019.	

B. Remuneration to other Directors:

Sl. No	Particulars of Remuneration	Name of Directors				Total Amount (In ₹)
		Mr. Shamsher Singh Ahlawat	Mr. Praveen Kumar Tripathi [#]	Justice Gyan Sudha Misra	Mr. Gurrappa Gopalakrishna	
1	Independent Directors					
	(a) Fee for attending board/ committee meetings	3,00,000	-	4,00,000	4,00,000	11,00,000
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (1)	3,00,000	-	4,00,000	4,00,000	11,00,000
2	Other Non-Executive Directors	Mr. Ajit Kumar Mittal		Mr. Akshay Gupta*		
	(a) Fee for attending board/ committee meetings	-	-	-	-	-
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)					11,00,000
	Total Managerial Remuneration					11,00,000
	Overall ceiling as per the Act	Not Applicable as no remuneration except sitting fees was paid to any of the Directors of the Company during the year ended March 31, 2019.				

* ceased to be director of the Company during FY 2018-19

[#] appointed as director on the Board of the Company during FY 2018-19

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total (In ₹)
		Ms. Priya Jain, Company Secretary	Mr. Saurabh Garg, CFO	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	21,82,410.00	0.00	21,82,410.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961*	38,664.00	0.00	38,664.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00
2	Stock option*	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission (as % of profit/ others)	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00
	Total	22,21,074.00	0.00	22,21,074.00

*excludes value of perquisites on exercise of stock option, if any.

Directors' Report (contd.)

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

For and on behalf of the Board of Directors

Date: August 14, 2019
Place : Gurugram

Manvinder Singh Walia
Executive Director
DIN: 07988213

Ajit Kumar Mittal
Director
DIN: 02698115

ANNEXURE - 5

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 2018-19.

Not applicable because no remuneration, except sitting fees was paid to any of the Directors during the FY 2018-19.

Percentage increase in remuneration of each director and Key Managerial Personnel in FY 2018-19.

Designation	Increase in Remuneration (%)
Company Secretary	49.35%

No remuneration was paid to any of the Directors and other KMPs, except as aforesaid, during the FY 2018-19.

The percentage increase in the median remuneration of employees in the FY 2018-19.

The percentage increase in the median remuneration of all the employees (including KMPs), computed on the basis of median remuneration for FY 2018-19 and FY 2017-18 was 7.55%.

Number of permanent employees on the rolls of Company

The Company had 17 employees on its permanent rolls, as of March 31, 2019.

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 increase made in the salaries of total employees other than the key managerial personnel, for FY 2018-19 is around 5.30%, while the average percentile increases in the remuneration of key managerial personnel is around 48.34%, which was to reward the long term association, commitment and to bring at par with the peer within the group and in the industry, basis the recommendation of nomination and remuneration committee.

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.

The Company reiterates that there were no exceptional circumstances which warranted an increase in managerial remuneration, which was not justified, by the overall performance of the Company.

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: August 14, 2019
Place : Gurugram

Manvinder Singh Walia
Executive Director
DIN: 07988213

Ajit Kumar Mittal
Director
DIN: 02698115

Management Discussion and Analysis Report

ECONOMIC OVERVIEW

The Indian economy is the fastest growing major economy and possibly the least affected by the global turmoil and is projected to grow faster in the coming years. As published in the monthly economic report of Ministry of Finance, the India's real Gross Domestic Product (GDP) growth for the year has been estimated to be 7%. The average GDP growth in the last five year has topped 7.5%. In recent years, growth has been consumption driven as investment has fallen on the back of high leverage in the corporate sector and overload of non-performing assets (NPA) in the banking sector. However, it appears that declining investment has bottomed out and economic growth is expected to pick up, supported by recovery in investments and consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy.

BUSINESS OVERVIEW

The Company, in the last financial year, decided to venture into new business streams of Life and General Insurance, through its subsidiaries and engaged with the relevant regulatory authorities for obtaining necessary approvals to pursue Life Insurance and General Insurance businesses, alongwith the Consumer Platform and other related financial services activities etc. In this regard, your directors wish to inform you that Indiabulls Life Insurance Company Limited (IBLIC) and Indiabulls General Insurance Limited (IBGIL), company's wholly owned subsidiaries, have received regulatory R1 approval from the Insurance Regulatory and Development Authority of India (IRDAI) for their proposed life insurance and general insurance businesses, respectively. On receipt of R1 approvals from IRDAI by IBLIC and IBGIL, for pursuing proposed Life Insurance and General Insurance business, respectively, the Company, as a pre-requisite to file the application for registration (R2) with IRDAI, infused ₹ 200 crores in IBLIC and ₹ 149 crores in IBGIL. This reflects the Company's and its Promoter's belief and confidence into the upcoming Insurance Business. The Company is now in the process of putting in place the necessary systems and move ahead with the next steps to undertake the proposed life insurance and general insurance business in India.

To capitalize and fund these businesses and to augment Company's long term resources and to improve its financial leveraging strength, the Promoters of the Company, as a reflection of their confidence in the future of the Company, have contributed ₹ 329.34 crores in the Company by subscribing to and exercising convertible warrants, issued in accordance with the members' approval dated December 16, 2017 and applicable SEBI regulations. Further, certain foreign investors, as a reflection of their confidence in the proposed businesses of the Company, have, during the FY 2018-19, invested an aggregate of ₹ 702.78 crores, towards the preferential issue of equity shares of the Company allotted to them in accordance with the members' approval(s) dated May 22, 2018 and June 11, 2018 and applicable SEBI regulations.

The Company, directly and through its subsidiaries, is also engaged in the businesses of real estate development, providing management and maintenance services, construction advisory and other related services, charter business of aircraft, trade in all kinds of sculptures, paintings and art graphics etc.

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 (comprising of life insurance, general insurance and/or other related businesses), the Board of Directors of the Company has approved the composite Scheme of 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. Pursuant to the Scheme, the shareholders of the Company will get extra 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 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).

The Scheme is subject to all applicable statutory and regulatory approvals, including approval from the stock exchanges, SEBI, shareholders and creditors of the company(ies) involved in the Scheme and the jurisdictional bench of the NCLT. The Company has already filed the Scheme with National Stock Exchange of India Limited and BSE Limited for seeking their & SEBI's NOC to the Scheme, which is awaited.

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 insurance company that is based on key principles of strong business fundamentals, predominantly focused on good governance, low cost operations, financial inclusion, innovation and trust.

The Indian insurance industry has come a long way in the last two decades. The Indian insurance industry is expected to grow to US\$ 280 billion by FY 2020, owing to the solid economic growth and higher personal disposable incomes in the country. Gross premiums written in India reached ₹ 5.78 trillion (US\$ 82.8 billion) in FY 2018-19, with ₹4.08 trillion (US\$ 58.5 billion) from life insurance and ₹ 1.69 trillion (US\$ 24.3 billion) from non-life insurance. The market share of private insurance Companies were 2.00% in 2003 but has grown to 33.76% in terms of premium on the financial 2019.

Further, increase in Foreign Direct Investment (FDI) limit in Insurance sector would further help attract investments in the sector. The Life insurance industry in the country is expected to grow at 12-15 per cent annually for the next three to five years.

STRENGTHS AND OUR STRATEGY

Although Insurance business is highly fragmented and diverse, the Company believes that it is well positioned to take advantage of this environment because, as it has more extensive resources and certain compelling competitive advantages to deal with its proposed venture into Life and General Insurance businesses. The Indiabulls group's deep knowledge of the Indian financial services industry, successful track record in lending business, high standards of corporate governance, prudent risk management and a committed/ strong management gives us the confidence to enter into the proposed insurance business.

The Company believes that following are its key strengths that provide competitive advantages in managing its present and/ or proposed business activities.

Insurance distribution capability, vast network and customer base

The Company is a part of the Indiabulls Group, which has a strong distribution pan-India network and large retail customer base for its financial services businesses across product segments i.e. home loans, retail consumer loans, business loans, securities brokerage, wealth management and distribution of financial products.

The Group's deep financial services experience, vast customer base, extensive branch network and decade-long experience in distribution of insurance products gives the Company, confidence in its ability to establish a successful insurance business and cater to the Indian insurance demand through cost-effective and customer centric products.

With a strong insurance distribution capability, vast network and customer base of the Group, the Company would be in advantageous position to enter into the insurance business and mark a strong footprint in the industry.

Strong Capital base

The insurance business requires huge capital and as a sign of commitment and conviction towards the proposed insurance business, the Company is prepared to support the capital requirements of the insurance business in line with regulatory requirements and as may be required for business expansion. To capitalize and fund these businesses and to augment Company's long term resources and to improve its financial leveraging strength, the Promoters of the Company, as a reflection of their confidence in the future of the Company, they have contributed ₹ 329.34 crores in the Company by subscribing to and exercising convertible warrants, issued in accordance with the members' approval and applicable SEBI regulations. Further, certain foreign investors, as a reflection of their confidence in the proposed businesses of the Company, have, during the FY 2018-19, invested an aggregate of ₹ 702.78 crores, towards the preferential issue of equity shares of the Company allotted to them in accordance with the members' approval(s) dated May 22, 2018 and June 11, 2018 and applicable SEBI regulations.

Further, on receipt of R1 approvals from IRDAI by IBLIC and IBGIL, for pursuing proposed Life Insurance and General Insurance business, respectively, the Company, as a pre-requisite to file the application for registration (R2) with IRDAI, infused ₹ 200 crores in IBLIC and ₹ 149 crores in IBGIL. This reflects the Company's and its Promoter's belief and confidence into the upcoming Insurance Business.

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 proposed life and general insurance business will also draw from their inputs and experience.

Management Discussion and Analysis Report (contd.)

The Company will further have insurance experts and will benefit from highly skilled and experienced key management personnel, well-trained employee force, business partners, strong analytics and technical background.

Strong brand recognition – creating value to the projects

The Company is a part of the Indiabulls Group, one of the country's leading business houses with business interests in several businesses, from financial services to real estate development. The Company believes that the brand recognition and trust associated with the brand "Indiabulls" has a cascading effect on company's existing and proposed business.

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.

Technological expertise

Indiabulls Group companies are technology leaders within their respective sectors pioneering many cost-effective and customer-centric innovations. The Group 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 insurance businesses, the Company shall be highly benefited with group's technological expertise.

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.

OPPORTUNITIES

Today, with a stable regulatory environment, increasingly aware, digital customer and technological enablers, insurers are in a good position to utilize the existing opportunities. There is huge growth potential with opportunities existing in multiple sectors and segments especially in Insurance Industry. The Company believes that following are the key growth drivers that exist in the current market for its various business operations and opportunities:

Favorable demographics, economic factors and customer behavior

As per FICCI, India currently has 605 million people below the age of 25, and 225 million in the age group of 10-19 years. The insurable population is expected to touch 750 million by 2020 and life expectancy at birth to be 74 years. The average Indian age by 2020 will be 29 years as against 40 years in the US, 46 years in Europe and 47 years in Japan.

The proportion of population above the age of 65 years is expected to constitute 9% of the population by 2035 and 15% of the population by 2055, compared to 6% in 2015. This provides a huge opportunity to tap the retrieval space. Similarly the proportion of population between 20 - 64 years is expected to constitute 61% of India's population by 2035 as compared to 56% in 2015. This provides an opportunity to pitch long term savings and investment plans.

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 life insurance industry.

Increasing protection gap

At present, India's sum assure- to-GDP, which is key measures of insurance protection in an economy, is much lower than that of other countries. This 'higher protection gap' in India indicates that it is still underinsured and there is significant scope of growth in stream of Insurance businesses.

Government and Regulatory initiatives

Government's initiative to boost the insurance sector such as National Health Protection scheme under 'Ayushman Bharat', 'Pradhan Mantri Fasal Bima Yojana', 'Pradhan Mantri Jeevan Jyoti Bima Yojana' which offer basic insurance at minimal rates through government agencies and private sector outlets has helped increase insurance awareness.

The government has also introduced "The Pradhan Mantri Shram Yogi Maan Dhan" (PMSYM), a pension scheme for unorganized workers in the interim budget. Greater customer awareness around protection products and increasing digital adoption is expected to bode well for the life insurance sector.

IRDAI continued its push for an insurance model that is beneficial for all stakeholders while keeping the customer firmly at the center. The regulator issued guidelines for PE funds/ AIFs to be promoters of an insurance venture. This move is likely to introduce best practices and technological advancements to the Indian insurance sector.

Providing tax reliefs on such insurance products and repeated attempts to make the sector more lucrative for foreign participants will help to achieve growth in proposed insurance business of the Company. Encouraging FDI regulations such as increasing FDI limits would help the Company to fulfil its capital advocacy by attracting foreign investment.

Digital Transformation

A combination of digitalisation, social media and the internet means that today's customer is more connected, better informed and has more purchasing options than ever before. The Digital transformation in insurance business have given opportunities to reach new customers, establish better communication channel, provide new services beyond traditional insurance. Increasing adoption of technology is driving efficiencies, leading to higher value creation to all stakeholders. In today's changing India, advance technology runs business.

In India's internet economy, the customer is getting increasingly digital. Today, a customer interacts with insurer through multiple channels like mobile app, website, branches, etc. However, the customer experience across these channels is often inconsistent.

Technology has been a major enabler of transparent operations and improved customer experience.

Untapped Market

Insurance Companies in India have concerned their efforts in urban area mainly as result, very little premium comes from rural area. Almost 70 per cent of population belong to rural India which is yet to be focused in spite of having big players in the market.

Also, there is a lot other untapped markets in the country which give space for all players to grow and expand the insurance industry. The Company foresees huge potential for its proposed insurance business and is well positioned to tap into the opportunities of the insurance industry.

Low insurance penetration

As compared to other developed countries, India remains vastly under-insured country both in terms of penetration and density. The penetration of life insurance has increased from 1.5 percent in the FY 2000 to 2.8 percent in FY 2018; with a high of 4.6 percent during FY 2010. This presents a huge opportunity to penetrate the underserved segments, with evolution of the life insurance distribution model and the rising awareness about need for life insurance.

THREATS / RISKS & CONCERNS

The business of insurance is based on wide range of possible risks and the outcome that may affect the current and future financial position. The insurance industry faces number of risk primarily due to rapidly evolving customer behavior, dynamic macroeconomic conditions, market fluctuations, changes in tax rates or in interest rates. But, the future of the insurance industry looks promising, with several changes in the regulatory framework and these changes may impact the way the industry conducts business and engages with its customer. However, your Directors firmly believe that organized structure, strong brand recognition, vast network, customer base and distribution capabilities of group companies, technological expertise, dynamic leadership and professionally managed team, strong systems and process would provide competitive advantage for facing such wide range of potential risk and managing its proposed insurance business efficiently. The Company believes that following are key risks/ threats that exist in the market which may have impact over the proposed insurance business of the Company:

Management Discussion and Analysis Report (contd.)

Existing competition in the market

Being new entrant in the insurance market, building trust, positioning ourselves and marking a strong footprint in the insurance industry, with the presence and hold of other players in the market, would be a challenge in setting up the proposed insurance business of the Company.

We are conscious of the challenges we may face as new entrant to the Indian insurance market; however, we believe that with our competitive advantages and leadership skills and management team, this late entrance would provide us an opportunity to leverage the existing knowledge base, expertise and experience of the existing insurers in India.

Macro-Economic Trends and Increased Regulations

Any uncertainty in the macroeconomic environment as well as regulatory changes may be a challenge for the Company in establishing the proposed insurance business and achieving expected growth.

Market Risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The Company is exposed to interest rate risk and liquidity risk, if the same is not managed properly. The Company continuously monitors these risks.

Liquidity Risk

With the maintenance of adequate levels of cash and liquid assets the liquidity may be a concern. There is always a time lag between receipt of premium and payment of claims and hence there should be no liquidity problem, but there can always be unanticipated claims or surrender of policies or claims on account of catastrophes.

Liquidity risk in life insurance arises out of surrender of large number of policies and in general insurance due to non-renewal of the policies and/or large claims.

Investment risk

All insurance companies have a set of future liabilities that they are contractually obliged to pay out given a qualifying event. As a result, they must invest premiums received conservatively in order to have a ready reserve of liquid assets on hand to pay out those claims. There is always a risk of loss from fluctuations in the value of invested assets.

The Board along with the management team, regularly reviews all related business & economic risks and risk policies and take appropriate steps to mitigate any of such risks.

The Company recognises that risk is an integral element of the business and managed acceptance of risk is essential for generation of shareholder value. The Company has constituted a Risk Management Committee which details the governance and management of all aspects of risks that we face.

SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS AND CHANGE IN RETURN ON NETWORTH

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 Networth of the Company (on standalone basis) including detailed explanations therefor are as under:

Key Financial Ratios:

Particulars	2018-19	2017-18
Ratios - Balance Sheet		
During the FY 2018-19, the Company raised the equity capital by preferential allotments and conversion of warrants totaling to around ₹ 87,603 lakhs. The Company has paid all its debts during the FY 2018-19. The current ratio and liquid cash to total assets ratio has also improved after this capital issue.		
Liquid cash as a % of total assets	55%	47%
Current ratio	112.32	2.63
Debt Equity Ratio	0.00	0.25
Ratios – Financial performance		
The basic and diluted EPS of the Company increased during the FY 2018-19, as the Company's profit increased to ₹ 2,188.12 lakhs as compared to ₹ 227.94 lakhs in the last year.		
Net Profit Margin	0.67	0.58
Basic EPS	2.65	0.51
Diluted EPS	2.35	0.48

Change in Return on Networth:

As the Company's profit increased to ₹ 2,188.12 lakhs in FY 2018-19 as compared to ₹ 227.94 lakhs in FY 2017-18, the return on networth also increased from 0.34% to 1.84%.

TRUST AND TRANSPARENCY: PILLARS OF SUCCESS

The insurance business is about long term relationships, built on the pillar of trust and transparency. At Indiabulls we ensure that our customer can rely on us in times of need and remain confident of the benefits of our products and services.

We have enhanced shareholders value by growing new business through consistent improvement in persistency across product categories, better cost efficiencies, leveraging technology and analytics for superior risk-management and a robust governance framework.

We believe in being transparent, as it is pivotal to retaining trust. To achieve this, we would ensure that our products are simple and provide a comprehensive solution for all life and non-life insurance needs.

In our proposed new venture, our goal would be to deliver seamless and value-driven customer experiences. We would focus on earning our customers' trust built on transparency and superior service architecture.

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.

INTERNAL CONTROLS AND THEIR ADEQUACY

The Company has a proper and adequate system of internal controls commensurate with the size of the Company and the nature of its business to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition, and that transactions are authorized, recorded and reported correctly and adequately.

The Company's internal controls are supplemented by internal audits, review by management and documented policies, guidelines and procedures. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and for maintaining accountability of assets. All financial and audit control systems are also reviewed by the Audit Committee of the Board of Directors of the Company.

The management believes that strengthening of internal controls is a continuous process and it will therefore continue its efforts to keep pace with changing business needs and environment.

CAUTIONARY STATEMENT

Statements in this Report on Management Discussion and Analysis describing the Company's objectives, estimates and expectations may be forward looking statements 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

Indiabulls Integrated Services Limited (IBULISL or Company), as an incorporated legal entity, came into existence on July 24, 2007, under the Companies Act, 1956, and obtained the certificate for commencement of business on August 08, 2007. The Company directly and through its subsidiaries was primarily engaged in the business of real estate development, providing management and maintenance services, equipment renting, constructions advisory and other related services, charter business of aircraft, LED Lighting, trade in all kinds of sculptures, painting and art graphic etc.

However, in the last financial year, decided to venture into new business streams of Life and General Insurance, through its subsidiaries and engaged with the relevant regulatory authorities for obtaining necessary approvals to pursue Life Insurance and General Insurance businesses, alongwith the Consumer Platform and other related financial services activities etc.. Also, Indiabulls Life Insurance Company Limited (IBLIC) and Indiabulls General Insurance Limited (IBGIL), company's wholly owned subsidiaries, have received regulatory R1 approval from the Insurance Regulatory and Development Authority of India (IRDAI) for their proposed life insurance and general insurance businesses, respectively. On receipt of R1 approvals from IRDAI by IBLIC and IBGIL, for pursuing proposed Life Insurance and General Insurance business, respectively, the Company, as a pre-requisite to file the application for registration (R2) with IRDAI, infused Rs. 200 crores in IBLIC and Rs. 149 crores in IBGIL. This reflects the Company's and its Promoter's belief and confidence into the upcoming Insurance Business. The Company is now in the process of putting in place the necessary systems and move ahead with the next steps to undertake the proposed life insurance and general insurance business in India.

Further, 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 (comprising of life insurance, general insurance and/or other related businesses), the Board of Directors of the Company has approved the composite Scheme of Arrangement amongst the Company, its direct and indirect subsidiaries.

The Company has developed 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. The subsidiary companies have their own Business Responsibility (BR) initiatives.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L51101HR2007PLC077999
2	Name of the Company	Indiabulls Integrated Services Limited
3	Registered office address	Plot No. 448-451 Udyog Vihar, Phase-V, Gurugram – 122016, Haryana
4	Corporate office address	"Indiabulls House", Indiabulls Finance Centre, Tower 1, Elphinstone Mills, Senapati Bapat Marg, Mumbai - 400 013
5	Website	www.indiabullsinintegratedservices.com
6	E-mail id	helpdesk@indiabulls.com
7	Financial Year Reported	April 1, 2018 to March 31, 2019
8	Sector(s) that the Company is engaged in	The Company is yet to commence its primary business of Life and Non-life Insurance, through its wholly owned subsidiaries
9	List three key products/services that the Company provides	The Company is yet to commence its primary business of Life and Non-life Insurance, through its wholly owned subsidiaries
10.	Total number of locations where business activity is undertaken by the Company:	
	a) Number of International Locations (Provide details of major 5)	Nil
	b) Number of National Locations	Subsequent to commencement of business of Life and Non-Life Insurance business, the Company shall have PAN-India presence.
11.	Markets served by the Company Local/State/National/ International	Subsequent to commencement of business of Life and Non-Life Insurance business, the Company shall have national presence.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR)	₹ 1,786.51 Lakh
2.	Total Turnover (INR)	₹ 4,432.59 Lakh
3.	Total profit after taxes (INR)	₹ 2,188.12 Lakh
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 3.30 Lakh
5.	List of activities in which expenditure in 4 above has been incurred:-	Medical Aid to poor and underprivileged people

SECTION C: OTHER DETAILS

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

The Company had 13 subsidiaries as on financial year ended March 31, 2019. The details of the subsidiaries are provided in *Annexure 4* to Board's Report i.e. *Form MGT-9: Extract of Annual Return*.

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

1. Details of Director/Directors responsible for BR

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

1	DIN	07988213	02698115
2	Name	Mr. Manvinder Singh Walia	Mr. Ajit Kumar Mittal
3	Designation	Executive Director	Non-Executive Director

b) Details of the BR head

1	DIN	07988213
2	Name	Mr. Manvinder Singh Walia
3	Designation	Executive Director
4	Telephone No.	+91-22-61899700
5	E-mail 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**

Business Responsibility Report (contd.)

6. Businesses should respect, protect and make efforts to restore the environment
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.	Questions	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.	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.	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 3	Refer Note 2	Refer Note 3	Refer Note 3	-	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.indiabullsinintegratedservices.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. <https://www.indiabullsin Integrated Services.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 behavior 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.

The Code of Conduct and other policies adopted by the Company applies to the employees of the Company and that of its subsidiary companies. 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

Business Responsibility Report (contd.)

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.indiabullsintegratedservices.com

Stakeholder Complaints

The Company is committed to providing effective and prompt service to all its stakeholders. The central operations team along with the call center 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 & ethics.

During the year 2018-19, the Company received 9 shareholders complaints and disposed of the same satisfactorily during the respective quarters in which these were received. 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.

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

The Company is yet to commence its primary business of Life and Non-life Insurance.

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 favors 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, instill 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-defense 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.

Business Responsibility Report (contd.)

Employee Welfare & Participation

To encourage employees to maintain and lead a healthy life, employees' family get togethers, 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 counseled patiently and given sufficient opportunities to recover from difficulties. Employee training programmes lay emphasis on this aspect. Any complaints and grievances pertaining to behavioral 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.

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.

1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Indiabulls Integrated Services Limited (formerly SORIL Holdings and Ventures Limited) ("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.

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 Company has a broad based Board of Directors, 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 six directors of whom one is Executive Director 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 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, as on March 31, 2019 are as under:

Corporate Governance Report (contd.)

Sl. No.	Name of the Directors [^]	Category of Directorship	No. of Directorships in other Companies [*]	Names of the other listed Companies where the person is a director	Category of directorship in other listed Companies where the person is a director	No. of Memberships/Chairmanships in the Board Committees of various companies (including this Company)**	
						As Member [#]	As Chairperson
1	Mr. Manvinder Singh Wallia (DIN: 07988213)	Executive Director	1	N.A.	N.A.	1	Nil
2	Mr. Ajit Kumar Mittal (DIN: 02698115)	Non-Executive Director	8	Indiabulls Housing Finance Limited Indiabulls Commercial Credit Limited*** Indiabulls Consumer Finance Limited***	Executive Director Non-Executive Chairman Non-Executive Director	4	2
3	Mr. Shamsher Singh Ahlawat (DIN: 00017480)	Non-Executive Independent Director	6	Indiabulls Real Estate Limited Indiabulls Housing Finance Limited Indiabulls Commercial Credit Limited***	Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director	10	4
4	Mr. Gurrappa Gopalakrishna (DIN: 06407040)	Non-Executive Independent Director	3	N.A.	N.A.	4	1
5	Justice Gyan Sudha Misra (Retd.) (DIN: 07577265)	Non-Executive Independent Director	3	Olectra Greentech Limited Indiabulls Real Estate Limited Indiabulls Housing Finance Limited	Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director	4	1
6	Mr. Praveen Kumar Tripathi (DIN: 02167497)	Non-Executive Independent Director	1	Indiabulls Real Estate Limited	Non-Executive Independent Director	Nil	Nil

[^] During the FY 2018-19, w.e.f. August 18, 2018, Mr. Akshay Gupta (DIN: 01272080) has resigned from the office of director(s) of the Company. Accordingly, his details have not been indicated in the above table.

^{*} Includes directorship(s) held in foreign companies and private limited companies and Companies under section 8 of the Companies Act, 2013.

^{**} Only memberships/ chairmanships of the Audit Committees and Stakeholders Relationship Committees in various public limited companies, are considered, as per Regulation 26 of the SEBI LODR.

^{***} Only debt securities of these companies are listed on NSE/BSE

[#] This includes the chairmanship in the Committees.

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 recommendation of committees of the Board which are mandatorily required, during the financial year 2018-19.

None of the Non-Executive Directors held any equity share and/or convertible security of the Company during the financial year ended March 31, 2019, except Mr. Ajit Kumar Mittal who is holding 10,000 equity shares of the Company.

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.indiabullsinintegratedservices.com/pdf/Details%20of%20familiarization%20programmes%20imparted%20to%20independent%20directors.pdf>

Core Skills/ Experience/ Competencies Identified by 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 insurance, sales and marketing of insurance products, Finance Management, Tax Regulatory compliances, business strategy, business development, resource mobilization, credit control, collections, Economics, Law, Business Management, Risk Management, Human Resources etc. and these skills/ expertise/competencies fundamental are currently available with the Board.

(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. At least one meeting is held in every quarter, to review the quarterly performance and the financial results of the Company.

Senior management including the CFO and Group Head – Corporate Secretarial are invited to attend the board meetings so as to provide additional inputs on the items being discussed by the Board. At the board meetings, the Executive Directors and senior management make presentations on various matters including the financial results, operations related issues, risk management, the economic and regulatory environment, compliance, investors' perceptions etc.

During the financial year 2018-19, the Board met 8 (Eight) times. The dates of the meetings were April 12, 2018, April 25, 2018, May 02, 2018, May 12, 2018, August 10, 2018, August 20, 2018, November 14, 2018 and January 29, 2019. During the year, separate meeting of the Independent Directors was held on January 29, 2019 without the attendance of non-independent directors and the members of the management. All Independent Directors attended the said meeting.

The last Annual General Meeting (AGM) of the Company was held on September 29, 2018.

Attendance of Directors at the Board Meetings held during the FY 2018-19 and at the last Annual General Meeting are as under:

Sl. No.	Name of the Directors	No. of Meetins held during the tenure	No. of Board Meetings attended	Attendance at the last AGM
1.	Mr. Manvinder Singh Walia (DIN: 07988213)	8	7 [^]	Yes
2.	Mr. Ajit Kumar Mittal (DIN: 02698115)	8	8	No
3.	Mr. Akshay Gupta* (DIN:01272080)	5	3	N.A.
4.	Mr. Shamsher Singh Ahlawat (DIN: 00017480)	8	6 [^]	Yes
5.	Mr. Gurrappa Gopalakrishna(DIN: 06407040)	8	8	No
6.	Justice Gyan Sudha Misra(Retd.) (DIN: 07577265)	8	8	Yes
7.	Mr. Praveen Kumar Tripathi# (DIN: 02167497)	N.A.	N.A.	N.A.

* ceased to be director of the Company during FY 2018-19. He could not attend the meetings held on April 12, 2018 and August 10, 2018, due to his travelling schedule.

appointed as director on the Board of the Company during FY 2018-19 on March 28, 2019.

[^] Mr. Manvinder Singh Walia could not attend the meeting held on April 12, 2018 and Mr. Shamsher Singh Ahlawat, could not attend the meeting held on August 10, 2018 and August 20, 2018, due to their travelling schedule.

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

Terms of reference of the Audit Committee

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 2018-19, the Audit Committee met four times. The dates of the meetings being May 02, 2018, August 10, 2018, November 14, 2018 and January 29, 2019

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	3*
Mr. Gurrappa Gopalakrishna	4	4

*Could not attend the meeting held on August 10, 2018, due to travelling schedule.

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

(B) Nomination & Remuneration Committee

Composition

The Nomination & Remuneration Committee (N&R Committee) of the Board currently 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 2018-19, the Committee met two times. The dates of meetings being August 10, 2018 and March 28, 2019.

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	1*
Justice Gyan Sudha Misra (Retd.)	2	2
Mr. Ajit Kumar Mittal	2	2

*Could not attend the meeting held on August 10, 2018, due to travelling schedule.

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.

- d) 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.
- e) 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.indiabullsintegratedservices.com/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

Mr. Manvinder Singh Walia, Executive Director does not draw any remuneration from the Company.

(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 fee/remuneration payable to its NEDs 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, 2019, 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 2018-19. Details of sitting fees paid to the Independent Directors has been disclosed in Extract of Annual Return, being Annexure - 4 to the Directors' Report, forming part of this Annual Report.

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 currently 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 2018-19, the Committee met four times. The dates of the meetings were April 2, 2018, July 2, 2018, October 8, 2018 and January 8, 2019.

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	4	4
Mr. Manvinder Singh Walia	4	4
Mr. Akshay Gupta*	2	2
Justice Gyan Sudha Misra (Retd.)^	2	2

* ceased to be member of the Committee during FY 2018-19

^ inducted to the committee during FY 2018-19

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 2018-19

Sl. No.	Particulars	Opening	Received	Disposed	Pending
1.	Letters from SEBI / Stock Exchange	0	1	1	0
2.	Non-receipt of dividend	0	8	8	0
3.	Non-receipt of Annual Report	0	1	1	0
	Total	0	10	10	0

(D) Corporate Social Responsibility (CSR) Committee

Composition

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

Corporate Governance Report (contd.)

Terms of Reference of Corporate Social Responsibility

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 2018-19, the Committee met two times. The dates of the meetings were January 29, 2019 and March 28, 2019. 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

Based on market capitalization as of 31st March 2019, the Company, being amongst top 500 listed companies, has constituted a Risk Management Committee of the Board, in compliance with the applicable amended SEBI LODR

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

Since the Committee was constituted after March 31, 2019, therefore no meeting of Risk Management Committee was held during the FY 2018-19.

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 considering, evaluating and implementing 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
2015-16	9th AGM	Mapple Emerald, Rajokri, NH-8, New Delhi-110038	September 26, 2016	04:00 P.M.	2
2016-17	10th AGM	Mapple Emerald, Rajokri, NH-8, New Delhi-110038	September 28, 2017	02:00 P.M.	3
2017-18	11th AGM	Mapple Emerald, Rajokri, NH-8, New Delhi-110038	September 29, 2018	01:00 P.M.	2

(B) Special Resolutions passed during the financial year 2018-19 through Postal Ballot:

During the financial year 2018-19, no resolution was passed by the Company through Postal Ballot process and hence, procedure for postal ballot is not given. 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:

- i) Publication of Financial Results:** The quarterly / annual results of the Company are published in newspapers viz. Business Standard, Financial Express and Jansatta (English & Hindi).
- ii) News, Release, etc.:** The Company has its own website: www.indiabullsin Integrated Services.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.
- iii) Management Discussion and Analysis Report:** The same has been included in a separate section, which forms a part of this Annual Report.
- iv) 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 12th AGM of the Company would be held on the day, date, time and venue as mentioned in the Notice convening the said 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 12th AGM of the Company.

(E) Dividend Payment date

An interim dividend of ₹ 1/- per equity share for the FY 2017-18, was declared on May 02, 2018 and paid on / after May 14, 2018.

(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 2019-20, have been paid to BSE and NSE.

(G) Stock Code

BSE Limited	– 533520
National Stock Exchange of India Limited	– IBULISL
ISIN for Dematerialization	– INE126M01010

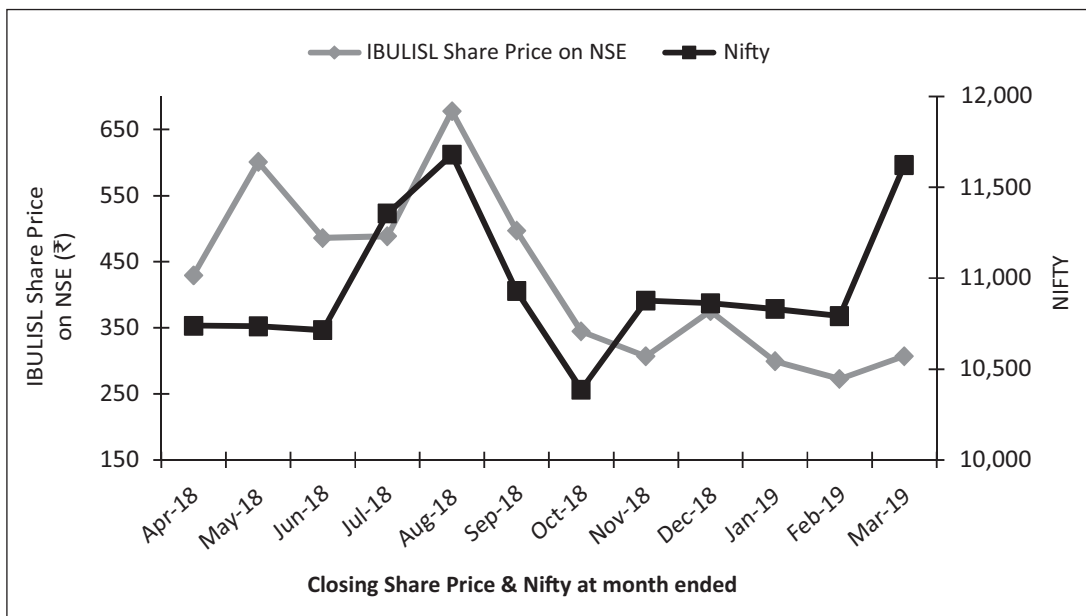
Corporate Governance Report (contd.)

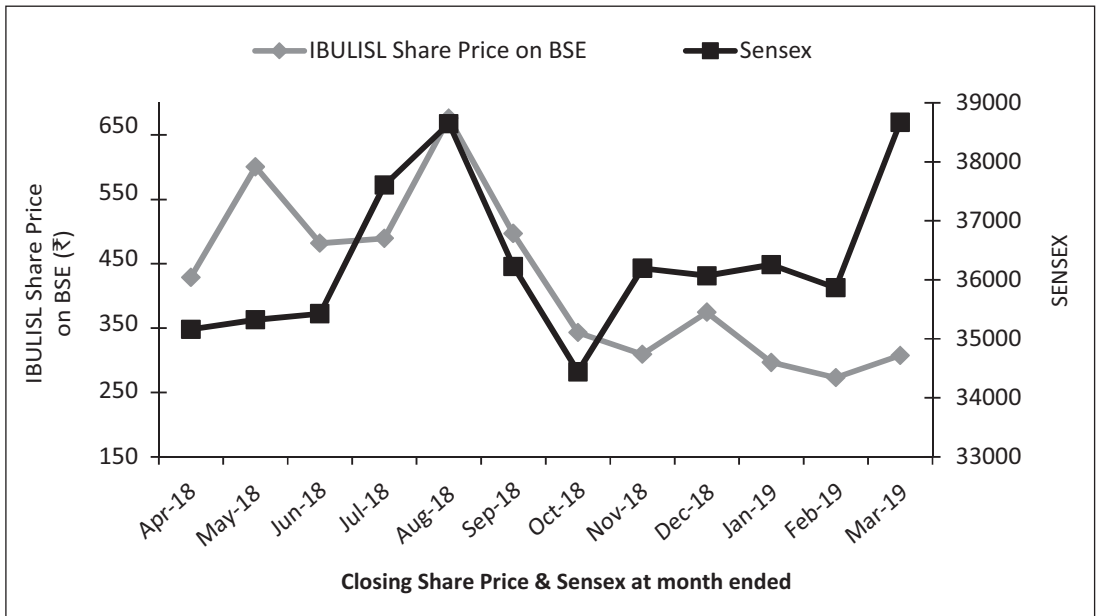
(H) Market Price Data

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, 2019 are as under:

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2018	429.50	203.00	428.70	200.70
May 2018	613.50	408.05	615.85	407.30
June 2018	570.95	462.20	570.55	457.80
July 2018	510.00	401.75	511.25	400.95
August 2018	707.10	475.00	710.00	475.00
September 2018	785.00	497.15	785.00	496.90
October 2018	472.30	315.80	472.10	310.60
November 2018	385.00	270.00	390.00	267.00
December 2018	408.00	242.45	404.60	242.05
January 2019	380.95	283.45	381.00	282.50
February 2019	306.00	211.00	306.30	211.25
March 2019	349.00	275.10	350.00	272.00

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





(J) Registrar and Transfer Agents

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. Karvy Fintech Private Limited
 (Unit: Indiabulls Integrated Services Limited)
 Karvy Selenium, Tower B, Plot No. 31-32, Gachibowli,
 Financial District, Nanakramguda,
 Hyderabad - 500 032
 Contact Person: Ms. Shobha Anand, DGM, Corporate Registry
 Phone: 040-6716 2222 Fax : 040-23001153
 E-mail: einward.ris@karvy.com
 Website: <https://www.karvyfintech.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.

Corporate Governance Report (contd.)

(L) i) Distribution of equity shareholding as on March 31, 2019

Sl. No.	Shareholding of nominal Value (in ₹)			No. of holders	% to total no. of holders	Value (in ₹)	% to nominal Value
	From	-	To				
1.	1	-	5000	50,731	97.99	8,241,402	4.61
2.	5001	-	10000	432	0.84	3,233,282	1.81
3.	10001	-	20000	250	0.48	3,702,278	2.07
4.	20001	-	30000	100	0.19	2,512,700	1.41
5.	30001	-	40000	47	0.09	1,696,850	0.95
6.	40001	-	50000	37	0.07	17,11,822	0.96
7.	50001	-	100000	72	0.14	52,88,686	2.96
8.	100001	and	above	101	0.20	15,22,64,118	85.23
	Total			51,770	100.00	17,86,51,138	100.00

ii) Equity Shareholding pattern as on March 31, 2019.

Sl. No.	Category	No. of Shares	% holding
1.	Promoters and Promoters Group	38,633,988	43.25
2.	Financial Institutions/ Banks/ Mutual Funds	1,705	0.00
3.	Foreign Portfolio Investors	21,019,916	23.53
4.	NBFCs Registered with RBI	4,192	0.01
5.	Bodies Corporate	8,460,819	9.47
6.	Indian Public	19,842,106	22.21
7.	NRIs	636,266	0.71
8.	Foreign Nationals	15,000	0.02
9.	Foreign Company	630,000	0.71
10.	Clearing Members	81,577	0.09
	Total	89,325,569	100.00

(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, 2019, 99.98% Equity shares of the Company representing 893,05,766 out of a total of 89,325,569 Equity shares were held in dematerialized form and the balance 19,803 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

Out of an aggregate of 3,50,00,000 warrants issued and allotted on January 2, 2018, convertible into an equivalent number of equity shares of face value of ₹ 2 each of the Company, 1,34,00,000 warrants were outstanding for conversion as on March 31, 2019. Further, in order to not alter the capital structure of the Company, ahead of the on-going composite scheme of arrangement amongst the Company, its direct and indirect subsidiaries and Indiabulls Pharmaceuticals Limited, and their respective shareholders and creditors, which was approved by the Board of Directors of the Company on January 29, 2019 ("Scheme"), on which the regulatory approvals are underway, and with a view to avoid any delay in implementation of the Scheme, which may occur due to change

in share capital of the Company upon conversion of convertible warrants (which were issued by the Company on 2nd January 2018 i.e. around an year prior to the approval of the Scheme), the warrant-holder promoter entities (namely Powerscreen Media Private Limited, Calleis Real Estate Private Limited, Calleis Constructions Private Limited and Calleis Properties Private Limited) had decided to forego their rights of conversion of their entire outstanding convertible warrants into equity shares of the Company. With this, in accordance with the terms of issuance of these warrants, the entire outstanding convertible warrants stood lapsed on June 29, 2019. As on March 31, 2019, 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 2018-19, 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

i) 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.indiabullsin Integrated Services.com

ii) Corporate Office:

Indiabulls Finance Center,
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 Twelfth 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.

Nil

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

An aggregate amount of ₹ 1032.12 crores was raised by the Company through preferential issue(s) of its equity shares during the FY 2018-19, out of which ₹ 903.40 crores was utilized towards capitalization/funding company's wholly owned subsidiaries as per stated objects of the issues and ₹ 128.72 crores was invested in interest bearing instruments/deposits till deployment for the stated objects of the issues.

(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 (₹)
Statutory Audit Fees	44,90,000
Certification Fees	22,500
Total	45,12,500

Corporate Governance Report (contd.)

7. COMPLIANCE CERTIFICATE FROM THE PRACTICING COMPANY SECRETARY

A certificate from a Practicing Company Secretary certifying 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 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 is annexed to and forms a part of this Report.

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

Particulars	Numbers
Number of complaints filed during the FY 2018-19	0
Number of complaints disposed during the FY 2018-19	0
Number of complaints pending as on end of the financial FY 2018-19	0

9. OTHER DISCLOSURES

i) Subsidiary Companies

The Company had 13 direct/indirect subsidiaries as on March 31, 2019. During the FY 2018-19, the Company did not have any material unlisted subsidiary, as per the thresholds laid down by the SEBI LODR. The Company has formulated a Policy for determining material unlisted subsidiaries, pursuant to the provisions of the SEBI LODR which is available on the website of the Company, at web-link:

<https://www.indiabullintegratedservices.com/pdf/Policy%20for%20Determining%20material%20subsidiary.pdf>

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.indiabullintegratedservices.com/pdf/Policy%20for%20Dealing%20with%20Related%20Party%20Transactions.pdf>

iii) Executive Director / CFO Certification

(a) The Executive Director 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.

(b) The Executive Director 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.indiabullintegratedservices.com

All Board Members and Senior Management personnel have affirmed compliance with the Code. A declaration signed by the Executive Director 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.indiabullsinintegratedservices.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.

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, 2019 are 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.

Corporate Governance Report (contd.)

ANNUAL DECLARATION BY THE EXECUTIVE DIRECTOR 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 **Indiabulls Integrated Services Limited**

Date: April 23, 2019
Place: Gurugram

Manvinder Singh Walia
Executive Director
DIN: 07988213

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members of
Indiabulls Integrated Services Limited

We have examined the compliance of conditions of Corporate Governance by Indiabulls Integrated Services Limited (formerly SORIL Holdings and Ventures Limited) ("the Company"), for the year ended March 31, 2019, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI "LODR")

We state that the compliance of conditions of Corporate Governance is the responsibility of the Company's management and, our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI LODR.

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.

We further state that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing directors of the Companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For **Neha S & Associates**
Company Secretaries

Place: New Delhi
Date: August 14, 2019

Neha Sharma
Proprietor
C.P. No. - 16522
Membership No.: A44741

To the Members of Indiabulls Integrated Services Limited

(Formerly known as SORIL Holdings and Ventures Limited and Indiabulls Wholesale Services Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Indiabulls Integrated Services Limited *(Formerly known as SORIL Holdings and Ventures Limited and Indiabulls Wholesale 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 2019, 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 2019, its consolidated profit 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 ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. 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.

Independent Auditor's Report (contd.)

Description of Key Audit Matters

Key audit matter	How the matter was addressed in our audit
Information technology	
<p>IT systems and controls</p> <p>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.</p> <p>We have focused on user access management, change management, segregation of duties, system reconciliation controls over key financial accounting and reporting systems.</p>	<p>Our audit procedures to assess the IT system access management included the following:</p> <p>General IT controls/user access management</p> <ul style="list-style-type: none"> • 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. • 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 and preventative controls designed to enforce segregation of duties. • 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. • 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. • 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.
Key audit matter	
<p>Property, Plant and Equipment</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 ₹ 28,668.55 lakhs as at 31 March 2019, with the majority of value attributed to plant & 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 Consolidated 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>How our audit addressed the key audit matter</p> <p>Our audit procedures in relation to the property, plant and equipment includes, but not limited to the following:</p> <ul style="list-style-type: none"> • Assessed the appropriateness of the company's accounting policy by comparing with applicable Ind AS. • We obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing. • Enquired of the management and understood the internal controls related to completeness of the list of property, plant and equipment alongwith the process followed.

	<ul style="list-style-type: none"> • Performed test of details: <ol style="list-style-type: none"> 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; b. Obtaining management reconciliation of property, plant and equipment and agreeing to general ledger. Further, all the significant reconciling items were tested; c. Analysing management's plan for the assets in the future and the associated consideration of Ind AS 16; d. Reviewing the management impairment consideration documentation relating to the carrying value to property, plant and equipment; and e. Reviewing the appropriateness of the related disclosure within the Consolidated Financial Statements.
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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.

Independent Auditor's Report (contd.)

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 and its subsidiaries 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 financial statements and other financial information of one subsidiary whose financial statements and other financial information reflects total assets of ₹ 31,972.06 lakhs and net assets of ₹ 31,776.43 lakhs as at 31 March 2019 and total revenue of ₹ 889.15 lakhs and net profit after tax (including other comprehensive income) of ₹ 717.54 lakhs and net cash flows amounting to ₹ 36.08 lakhs for the year ended on that date as considered in the Consolidated Financial Statements.

These financial statements and other financial information have been audited by other auditor whose report have been furnished to us by the management, and our opinion on the Consolidated Financial Statements in so far as it relates to the amounts and disclosures included in respect of the 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.

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 relating to preparation of the aforesaid consolidated financial statements have been kept 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 relevant 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 and its subsidiaries as on 31 March 2019 taken on record by the Board of Directors respective companies, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls 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 2019 - Refer Note 38 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 2019.
 - 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 2019.
- (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 Holding Company and its subsidiaries 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

Place: Gurugram
Date: 23 April 2019

Annexure A to the Independent Auditor's Report

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 2019 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 Indiabulls Integrated Services Limited (Formerly known as "SORIL Holdings and Ventures Limited" and "Indiabulls Wholesale Services Limited") (hereinafter referred to as the "Holding Company") as of 31 March 2019 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 Holding Company's and its subsidiaries' respective Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated Financial Statements criteria established by the respective companies 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 the respective companies' 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 Holding Company and its subsidiaries 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 Holding Company's and its subsidiaries' internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial controls with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to 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 Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 Financial Statements to future periods are subject to the risk that the internal financial controls with reference to 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 Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at 31 March 2019, based on the internal financial controls with reference to Financial Statements criteria established by the Holding Company and its subsidiaries considering the essential components of internal control stated in the Guidance Note issued by ICAI.

Other Matter

We did not audit the financial statements and other financial information of one subsidiary whose financial statements and other financial information reflects total assets of ₹ 31,972.06 lakhs and net assets of ₹ 31,776.43 lakhs as at 31 March 2019 and total revenue of ₹ 889.15 lakhs and net profit after tax (including other comprehensive income) of ₹ 717.54 lakhs and net cash flows amounting to ₹ 36.08 lakhs for the year ended on that date as considered in the Consolidated Financial Statements.

These financial statements and other financial information have 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 reference to Consolidated Financial Statements insofar as it relates to subsidiary company, which are company incorporated in India, is based on the corresponding report of the other auditor of such company incorporated in India. 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

Place: Gurugram

Date: 23 April 2019

Consolidated Balance Sheet

as at 31 March 2019

(All Amounts in ₹ lakhs, unless otherwise stated)

	Note	31 March 2019	31 March 2018
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	6A	28,668.55	23,479.97
(b) Other intangible assets	6B	223.25	93.40
(c) Goodwill	6C	13,097.63	26,602.33
(d) Financial assets			
Loans	7A	14,046.93	213.61
Other financial assets	8A	61.39	0.75
(e) Deferred tax assets, net	9	758.31	620.48
(f) Non-current tax assets, net	10	3,540.29	3,307.10
(g) Other non-current assets	11A	350.74	506.42
Total		60,747.09	54,824.06
Current assets			
(a) Inventories	12	2,139.42	1,784.97
(b) Financial assets			
Investments	13	87,415.66	22,220.12
Trade receivables	14	8,660.49	10,106.06
Cash and cash equivalents	15	1,084.78	2,518.56
Other bank balances	16	65.30	42.58
Loans	7 B	559.82	87.55
Other financial assets	8 B	4,693.41	0.83
(c) Other current assets	11B	31,736.70	30,985.60
Total		1,36,355.58	67,746.27
Total of Assets		1,97,102.67	1,22,570.33
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	1,786.51	1,096.37
(b) Other equity	18	1,41,523.89	47,186.70
Equity attributable to the owners of the Holding Company		1,43,310.40	48,283.07
(c) Non-controlling interest		8,044.51	7.74
Total Equity		1,51,354.91	48,290.81
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
Borrowings	19A	28,870.87	1,687.35
(b) Provisions	21A	353.88	331.32
(c) Other non-current liabilities	22A	15.13	148.08
Total		29,239.88	2,166.75
Current liabilities			
(a) Financial liabilities			
Borrowings	19B	2,701.63	39,680.71
Trade payables	23		
- total outstanding dues of micro enterprises and small enterprises		504.34	253.73
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,594.47	1,690.27
Other financial liabilities	20	4,749.41	27,712.09
(b) Other current liabilities	22B	4,217.98	2,534.11
(c) Provisions	21B	41.56	16.33
(d) Current tax liabilities, net	24	2,698.49	225.53
Total		16,507.88	72,112.77
Total of Equity and Liabilities		1,97,102.67	1,22,570.33
Summary of significant accounting policies	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: 23 April 2019

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

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 2019

(All Amounts in ₹ lakhs, unless otherwise stated)

	Note	Year ended	
		31 March 2019	31 March 2018
Revenue			
Revenue from operations	25		17,089.80
Other income	26		17,871.36
Total of Revenue			34,961.16
Expenses			
Cost of revenue	27		
Cost of materials consumed		-	-
Purchase of stock in trade		3,209.75	1,417.62
Changes in inventories		(7.84)	30.99
Operating expenses	28		6,369.27
Employee benefits expenses	29		4,801.84
Finance costs	30		4,203.53
Depreciation and amortisation expenses	31		2,610.31
Other expenses	32		2,930.25
Total of Expenses			24,117.11
Profit before tax			10,844.05
Tax expenses	33		
Current tax (including earlier years)			3,170.10
Deferred tax charge/(credit)			(137.71)
Profit after tax			7,811.66
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gain on defined benefits plans, net of tax			58.04
Total of other comprehensive income			58.04
Total Comprehensive Income for the year			7,869.70
Net profit attributable to			
Owners of the Holding Company			7,330.66
Non-controlling interest			481.00
Total			7,811.66
Other comprehensive income attributable to			
Owners of the Holding Company			34.94
Non-controlling interest			23.10
Total			58.04
Total comprehensive income is attributable to			
Owners of the Holding Company			7,365.60
Non-controlling interest			504.10
Total			7,869.70
Earnings per equity share	34		
Basic (₹)			8.87
Diluted (₹)			7.88
Summary of significant accounting policies	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: 23 April 2019

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

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 2019

(All Amounts in ₹ lakhs, unless otherwise stated)

		Year ended	
		31 March 2019	31 March 2018
A.	Cash flow from operating activities:		
	Profit before tax	10,844.05	1,244.55
	Adjustments to reconcile net profit to net cash provided by operating activities :		
	Depreciation and amortization expenses	2,610.31	2,795.62
	Interest expenses	3,423.22	3,264.96
	Interest income	(2,659.14)	(524.23)
	Dividend income	(1,654.10)	(4.95)
	Profit on redemption of investments	(13,010.93)	(698.80)
	Profit on fair valuation of financial instruments	(71.28)	(210.12)
	Profit on sale of property, plant and equipment	(9.24)	(1,621.91)
	Loss on sale/written off of property, plant and equipment	0.39	0.32
	Provision for bad and doubtful debts	-	1,327.03
	Provision for employee benefits	105.95	128.83
	Provisions against standard assets	34.80	-
	Loss on fair value of investments	35.35	-
	Provision for warranties	17.97	-
	Balances written off	58.78	33.83
	Liabilities written back	(276.77)	(40.41)
	Unrealized foreign exchange gain	-	(0.85)
	Marked to market income on forward contract	(180.26)	-
	Marked to market expense on forward contract	-	305.85
	Share based payment expenses	869.55	346.81
	Operating profit before working capital changes and other adjustments	138.65	6,346.53
	Changes in operating assets and liabilities		
	Decrease/ (increase) in trade receivables	1,445.57	(6,746.87)
	Increase in loans and other financial assets	(19,056.70)	(16.13)
	(Increase)/ decrease in other assets	(595.67)	560.56
	Increase in inventories	(354.45)	(140.23)
	Increase/ (decrease) in trade payables	154.81	(824.47)
	Increase / (decrease) in other financial liabilities	127.32	(8,396.75)
	Increase in other liabilities and provisions	1,608.53	1,474.78
	Cash used in operating activities	(16,531.94)	(7,742.58)
	Income tax (paid)/ refund received, net	(930.45)	104.47
	Net cash used in operating activities	(17,462.39)	(7,638.11)
B.	Cash flow from investing activities:		
	Purchase of property, plant and equipment and other intangible assets	(7,062.61)	(1,510.45)
	Sale of property, plant and equipment and other intangible assets	84.44	10,618.91
	(Investment in)/maturity of fixed deposits	(82.98)	255.48
	Interest received on fixed deposits	8.94	32.17
	Investment in short-term securities	(52,115.21)	(21,311.20)
	Inter-corporate loans received back	-	9,500.00
	Interest received on loans given	2,616.34	508.32
	Investment in equity shares	-	(5.00)
	Dividend income received	1,654.10	4.95
	Net cash used in investing activities	(54,896.98)	(1,906.82)

Consolidated statement of cash flows

for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

		Year ended	
		31 March 2019	31 March 2018
C.	Cash flow from financing activities: (refer note-45)		
	Proceeds from issue of share warrants	-	11,550.00
	Proceeds from issue of equity shares by Subsidiary Company	20,912.30	-
	Proceeds from preferential allotment of equity shares	70,277.64	-
	Proceeds from conversion of warrants into equity shares	17,325.00	4,059.00
	Payment for shares issue expenses	(19.00)	-
	Borrowings from banks and financial institutions	9,581.85	2,085.03
	Repayment of borrowings to banks and financial institutions	(5,785.18)	(14,550.88)
	Proceeds from inter-corporate borrowings	2,300.00	12,420.00
	Interest paid on borrowings	(3,103.64)	(3,137.21)
	Redemption of preference capital	(25,177.00)	-
	Repayment of inter-corporate borrowings	(14,720.00)	(2,700.00)
	Dividends paid including corporate dividend tax	(666.38)	(5.45)
	Net cash generated from financing activities	70,925.59	9,720.49
D.	Cash and cash equivalents of subsidiary acquired	-	0.65
E.	(Decrease)/ increase in cash and cash equivalents, net (A+B+C+D)	(1,433.78)	176.21
F.	Cash and cash equivalents at the beginning of the year	2,518.56	2,342.35
G.	Cash and cash equivalents at the end of the year (E+F)	1,084.78	2,518.56
H.	Reconciliation of cash and cash equivalents as per cash flow statement		
	Cash and cash equivalents includes		
	Cash on hand	26.30	23.59
	Foreign currency on hand	0.62	0.44
	Balances with banks		
	In current accounts	1,052.98	2,428.02
	In unclaimed dividend account (refer note (c) below)	4.88	1.48
	In fixed deposits account (with original maturity upto three months)	-	65.00
	Interest accrued on bank deposits	-	0.03
	Total	1,084.78	2,518.56

- 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: 23 April 2019

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

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 2019

(All Amounts in ₹ lakhs, unless otherwise stated)

(A) Equity share capital*

Particulars	Opening balance as at 01 April 2017	Issue of equity share capital during the year	Balance as at 31 March 2018	Issue of equity share capital during the year	Balance as at 31 March 2019
Equity share capital	1,014.37	82.00	1,096.37	690.14	1,786.51

(B) Other equity**

(All amount in ₹ lakhs, 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 2017	50,149.72	942.49	-	29.37	(20,114.72)	-	-	31,006.86
Profit for the year	-	-	-	-	343.66	-	-	343.66
Other comprehensive income								
Re-measurement of defined benefit plans, net of tax	-	-	-	-	17.85	-	-	17.85
Corporate dividend tax	-	-	-	-	(5.45)	-	-	(5.45)
Share based payment expense	-	-	296.78	-	-	-	-	296.78
Receipts of share warrant money	-	-	-	-	-	-	11,550.00	11,550.00
Issue of equity shares (conversion of share warrants)	-	-	-	5,330.00	-	-	(1,353.00)	3,977.00
Balance as at 31 March 2018	50,149.72	942.49	296.78	5,359.37	(19,758.66)	-	10,197.00	47,186.70
Profit for the year	-	-	-	-	7,330.66	-	-	7,330.66
Other comprehensive income								
Re-measurement of defined benefit plans, net of tax	-	-	-	-	34.94	-	-	34.94
Dividend on equity shares	-	-	-	-	(548.19)	-	-	(548.19)
Corporate dividend tax	-	-	-	-	(118.19)	-	-	(118.19)
Share based payment expense	-	-	744.47	-	-	-	-	744.47
Issue of equity shares (conversion of share warrants)	-	-	-	22,750.00	-	-	(5,775.00)	16,975.00
Preferential allotment	-	-	-	69,937.50	-	-	-	69,937.50
Share issue expenses	-	-	-	(19.00)	-	-	-	(19.00)
Balance as at 31 March 2019	50,149.72	942.49	1,041.25	98,027.87	(13,059.44)	-	4,422.00	1,41,523.89

* 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: 23 April 2019

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

Priya Jain

Company Secretary

Ajit Kumar Mittal

Director

[DIN: 02698115]

Saurabh Garg

Chief Financial Officer

1. Nature of principal activities

Indiabulls Integrated Services Limited (formerly known as SORIL Holdings and Ventures Limited and Indiabulls Wholesale Services Limited) “the Holding Company”, was incorporated on 24 July 2007.

During the financial year ended 31 March 2019, the name of the Holding Company stood changed from “SORIL Holdings and Ventures Limited” to “Indiabulls Integrated Services Limited” vide fresh Certificate of Incorporation dated 16 May 2018, issued by Registrar of Companies, NCT of Delhi & Haryana.

During the financial year ended 31 March 2017, the name of the Holding Company stood changed from “Indiabulls Wholesale Services Limited” to “SORIL Holdings and Ventures Limited” vide fresh Certificate of Incorporation dated 27 March 2017, issued by Registrar of Companies, NCT of Delhi & Haryana.

Indiabulls Integrated Services Limited (formerly known as SORIL Holdings and Ventures Limited and Indiabulls Wholesale Services Limited), along with its subsidiaries is together referred to as “the Group” in the following notes.

The Group is engaged in the business of rendering management & maintenance services, equipment renting services, dealing in all types of buildings & infrastructure products, real estate development & construction & advisory services, aviation services, trading in all kinds of sculptures, paintings & graphics, maintenance of farm house, financing and other related activities.

During the year ended 31 March 2019, the Insurance Regulatory and Development Authority of India has accorded approval of R1 application for Group’s life and general insurance applications.

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.

2. General information & statement of compliance with Ind AS

The consolidated 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 (‘the Act’) (to the extent notified) and guidelines issued by Securities Exchange Board of India (SEBI), read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs (‘MCA’)) and relevant amendments rules issued thereafter. The Group has uniformly applied the accounting policies during the periods presented.

The consolidated financial statements for the year ended 31 March 2019 were authorized and approved for issue by the Board of Directors on 23 April 2019. The revisions to the consolidated financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3. Basis of preparation

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the consolidated financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities are categorized into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

4. Recent accounting pronouncement

Ministry of Corporate Affairs (‘MCA’), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new amendments to Ind AS which the Group has not applied as they are effective from 01 April 2019:

Ind AS 116, Leases

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

Amendment to Ind AS 12, Income taxes

On 30 March 2019, Ministry of Corporate Affairs (“MCA”) has notified Appendix C to Ind-AS 12 Income taxes – “Uncertainty over Income Tax Treatments”. The amendment to Ind AS 12 requires the entities to consider recognition and measurement requirements when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognise and measure its current or deferred tax asset or liability accordingly. The effective date of amendment is 01 April 2019. Further, there has been amendments in relevant paragraphs in Ind-AS 12 “Income Taxes” which clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events in accordance with Ind-AS 109. The Group is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 19, Employee benefits

On 30 March 2019, Ministry of Corporate Affairs (“MCA”) has issued an amendment to Ind AS 19 which requires the entities to determine current service cost using actuarial assumptions and net interest using discount rate determined at the start of the annual reporting period. However, if an entity re-measures the net defined benefit liability (asset) as per the requirement of the standard, it shall determine current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to re-measure the net defined benefit liability (asset). The effective date of amendment is 01 April 2019. The Group is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 109, Financial instruments

On 30 March 2019, Ministry of Corporate Affairs (“MCA”) issued an amendment to Ind-AS 109 in respect of prepayment features with negative compensation, which amends the existing requirements in Ind-AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. This amendment is effective for annual periods beginning on or after 01 April 2019. The Group is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 23, Borrowing costs

On 30 March 2019, Ministry of Corporate Affairs (“MCA”) issued an amendment to Ind-AS 23 “Borrowing Costs” clarifies that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings. This amendment is effective for annual periods beginning on or after 01 April 2019. The Group is evaluating the requirements of the amendments and their impact on the 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 2019.

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.

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.

Asset class	Useful life
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

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

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	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.

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.

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.

Revenue from management and maintenance services

Revenue from management and maintenance services are recognized pro-rata over the period of contract as and when services are rendered. 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.

Interest income, expenses and other charges

Interest income

The Group earns revenue primarily from giving loans. 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.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

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) Operating leases

Where the Group is the lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Lease other than finance lease is treated as operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, except when the lease rentals, increase are in line with expected inflationary costs.

h) 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.

i) 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.

j) 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.

k) 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.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

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.

l) 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.

m) 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).

n) 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.

o) 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.

p) 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 of will be allotted equity shares of the Holding Company.

q) 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 review 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.

r) 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.

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 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 6A
Property, Plant and Equipment

Particulars	Building	Plant & machinery	Office equipment	Computers	Furniture and fixtures	Vehicles	Aircrafts* (refer note-19)	Total
Gross carrying amount (Refer (iii) below)								
Balance as at 01 April 2017	4.64	18,054.97	81.90	824.99	2,059.49	659.88	20,556.96	42,242.83
Additions	-	1,205.78	10.38	57.23	48.20	181.45	-	1,503.04
Disposals/assets written off	2.13	130.99	27.23	642.48	9.06	0.05	9,950.00	10,761.94
Exchange differences#	-	-	-	-	-	-	73.98	73.98
Balance as at 31 March 2018	2.51	19,129.76	65.05	239.74	2,098.63	841.28	10,680.94	33,057.91
Additions	-	4,606.05	7.92	105.40	4.85	2,165.88	-	6,890.10
Disposals/assets written off	-	158.21	0.31	64.47	0.79	42.18	-	265.96
Exchange differences#	-	-	-	-	-	-	941.72	941.72
Balance as at 31 March 2019	2.51	23,577.60	72.66	280.67	2,102.69	2,964.98	11,622.66	40,623.77
Accumulated depreciation								
Balance as at 01 April 2017	4.64	4,494.28	58.60	793.42	1,522.90	397.86	1,288.25	8,559.95
Charge for the year	-	1,174.08	8.95	24.43	205.37	81.23	1,284.44	2,778.50
Adjustments for disposals	2.13	12.03	27.23	642.48	8.79	0.05	1,071.91	1,764.62
Exchange differences#	-	-	-	-	-	-	4.11	4.11
Balance as at 31 March 2018	2.51	5,656.33	40.32	175.37	1,719.48	479.04	1,504.89	9,577.94
Charge for the year	-	1,511.36	9.26	45.06	166.21	237.63	541.71	2,511.22
Adjustments for disposals	-	83.00	0.31	64.48	0.40	42.18	-	190.37
Exchange differences#	-	-	-	-	-	-	56.43	56.43
Balance as at 31 March 2019	2.51	7,084.69	49.27	155.95	1,885.29	674.49	2,103.02	11,955.22
Net carrying value as at 31 March 2018	-	13,473.43	24.73	64.37	379.15	362.24	9,176.05	23,479.97
Net carrying value as at 31 March 2019	-	16,492.91	23.39	124.72	217.40	2,290.49	9,519.64	28,668.55

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.
- (ii) There are no contractual commitments for the acquisition of property, plant and equipment.
- (iii) The Gross block of all the class of assets is measured at cost, except for aircrafts, for which the gross block is recorded at fair value as on 01 April 2016.

(All Amounts in ₹ lakhs, 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
Exchange loss /(gain) capitalized	
As at 01 April 2017	3,409.72
Recognised/ (reversed) during the year	73.98
As at 31 March 2018	3,483.70
Recognised/ (reversed) during the year	941.72
As at 31 March 2019	4,425.42
Exchange loss / (gain) amortized	
As at 01 April 2017	543.58
Amortized during the year	(4.11)
As at 31 March 2018	539.47
Amortized during the year	(56.43)
As at 31 March 2019	483.04
Net block of exchange loss/(gain)	
As at 31 March 2019	3,942.38
As at 31 March 2018	2,944.23

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
Balance as at 01 April 2017	19,268.71
Adjustments for disposals	(8,878.09)
Exchange differences	73.98
Depreciation	(1,288.55)
Closing balance as at 31 March 2018	9,176.05
Exchange differences	941.72
Depreciation	(598.13)
Closing balance as at 31 March 2019	9,519.64

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 2019	31 March 2018
Cost	53,717.27	53,717.27
Purchases	941.72	73.98
Accumulated Depreciation	16,170.89	15,572.75
Net carrying Amount	38,488.10	38,218.50

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 6B

Other Intangible Assets

Particulars	Software	Land - Leasehold	Total
Gross carrying amount			
Balance as at 01 April 2017	1,404.72	116.73	1,521.45
Additions	7.41	-	7.41
Disposals/assets written off	961.13	-	961.13
Balance as at 31 March 2018	451.00	116.73	567.73
Additions	172.51	-	172.51
Disposals/assets written off	439.73	-	439.73
Balance as at 31 March 2019	183.78	116.73	300.51
Accumulated amortization			
Balance as at 01 April 2017	1,402.85	19.60	1,422.45
Charge for the year	2.08	10.93	13.01
Adjustment for disposals	961.13	-	961.13
Balance as at 31 March 2018	443.80	30.53	474.33
Charge for the year	31.75	10.91	42.66
Adjustment for disposals	439.73	-	439.73
Balance as at 31 March 2019	35.82	41.44	77.26
Net carrying value as at 31 March 2018	7.20	86.20	93.40
Net carrying value as at 31 March 2019	147.96	75.29	223.25

NOTE – 6C

Statement showing reconciliation of goodwill arising on consolidation of financial statements

Particulars	Amount
Opening balance as on 01 April 2017	26,612.81
Additions/ (Reversals) during the year*	(10.48)
Balance as on 31 March 2018	26,602.33
Additions/ (Reversals) during the year **	(13,504.70)
Balance as on 31 March 2019	13,097.63

* During the financial year 2017-18, the Holding Company acquired a new wholly owned subsidiary, viz. 'Indiabulls Life Insurance Company Limited' and the same resulted in capital reserve of ₹ 10.48 lakhs. The goodwill for the year ending 31 March 2018 has been shown after taking the effect of the same.

** During the financial year 2018-19, one of the subsidiaries of the Holding Company, viz. SORIL Infra Resources Limited issued 39,00,000 equity shares of ₹ 10/- each at a premium of ₹ 529 each. The Holding Company credited its share of premium on the said issue to its goodwill.

The Group tests goodwill annually for impairment.

Goodwill of ₹ 13,097.63 lakhs (31 March 2018: ₹ 26,602.33 lakhs) 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 Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 7

Particulars		As at 31 March 2019	As at 31 March 2018
A	Loans - Non-Current**		
	Loans (secured by tangible assets)*		
	Considered good - Secured	13,795.28	-
	Security deposits		
	Considered good - Unsecured	251.65	213.61
	Total of loans - non current	14,046.93	213.61
B	Loans - current**		
	Loans (secured by tangible assets)*		
	Considered good - Secured	231.12	-
	- Interest accrued on above	13.02	-
	Security deposits		
	Considered good - Unsecured	315.68	29.02
		559.82	29.02
	Inter-corporate loans to other		
	Considered good - Unsecured	-	58.53
		-	58.53
	Total of loans - current	559.82	87.55

* Secured loans and other credit facilities 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
- Company guarantees and/or
- Personal guarantee and/or
- Negative lien and/or undertaking to create a security.

Impairment allowance for loans and advances to customers :

As on the reporting date 31 March 2019 there was no overdue loans or interest repayable against any of the advance, hence no impairment allowance is required.

However, the Group manages credit by an Internal Rating Model. The model grades loans on a four-point grading scale, and incorporates both quantitative as well as qualitative information on the loans and the borrowers to analyse the credit behaviour. Some of the factors that the internal risk based model is calibrated to are following:

- Loan to value
- Type of collateral
- Cash-flow and income assessment of the borrower
- Interest and debt service cover
- Repayment track record of the borrower
- Vintage i.e. months on books and number of paid EMIs
- Project progress in case of project finance

In addition to information specific to the borrower and the performance of the loan, the model may also utilise supplemental external information that could affect the borrower's behaviour. The model is also calibrated to incorporate external inputs such as GDP growth rate, unemployment rate and factors specific to the sector/industry of the borrower.

** The Group does not have any loans which are either credit impaired or where there is significant increase in credit risk.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 8

Particulars		As at 31 March 2019	As at 31 March 2018
A	Other financial assets - non-current		
	Bank deposits with more than 12 month maturity*	61.39	0.75
	Total	61.39	0.75

* Bank deposit amounting to ₹ 60.60 lakhs (31 March 2018: ₹ 0.75 lakhs) (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.

Particulars		As at 31 March 2019	As at 31 March 2018
B	Other financial assets - current (Unsecured, considered good)		
	Loan to employees	0.30	0.83
	Other receivables	4,693.11	-
	Total	4,693.41	0.83

NOTE – 9

Deferred tax assets, net

Particulars		As at 31 March 2019	As at 31 March 2018
Deferred tax asset arising on account of:			
	Property, plant and equipment, investment property and intangible assets - depreciation and amortisation	36.12	0.08
	Preliminary expenses	0.62	0.62
	Unabsorbed business losses	-	478.33
	ESOP Expenses	143.31	-
	Deferred tax on acquisition of new step-down subsidiary *		
Deferred tax liabilities arising on account of :			
	Financial instruments - fair valuation	(18.13)	(49.09)
	Minimum alternative tax credit entitlement	596.39	190.54
	Total	758.31	620.48

Caption wise movement in deferred tax assets/liabilities as follows:

Particulars	01 April 2017	Recognised in Other Comprehensive Income	Recognised in profit and loss	31 March 2018
Assets				
Property, plant and equipment, investment property and intangible assets - depreciation and amortisation	6.85	-	(6.77)	0.08
Preliminary expenses	0.01	-	0.61	0.62
Employee benefits - gratuity and compensated absences	3.04	-	(3.04)	-
Unabsorbed business losses	529.97	-	(51.64)	478.33
Liabilities				
Financial instruments - fair valuation	-	-	(49.09)	(49.09)
Sub-Total	539.87	-	(109.93)	429.94
Minimum alternative tax credit entitlement	54.76	-	135.78	190.54
Total	594.63	-	25.85	620.48

(All Amounts in ₹ lakhs, unless otherwise stated)

Particulars	31 March 2018	Recognised in Other Comprehensive Income	Recognised in profit and loss	31 March 2019
Assets				
Property, plant and equipment, investment property and intangible assets - depreciation and amortisation	0.08	-	35.91	35.99
Preliminary expenses	0.62	-	-	0.62
Employee benefits - gratuity and compensated absences	-	-	-	-
Unabsorbed business losses	478.33	-	(478.33)	-
ESOP Expenses	-	-	143.31	143.31
Deferred tax on acquisition of new step-down subsidiary	-	-	-	0.13
Liabilities				
Financial instruments - fair valuation	(49.09)	-	30.97	(18.13)
Sub-Total	429.94	-	(268.14)	161.92
Minimum alternative tax credit entitlement	190.54	-	405.85	596.39
Total	620.48	-	137.71	758.31

*One of the Subsidiaries of the Holding Company, namely, SORIL Infra Resources Limited, acquired new subsidiary, viz. Indiabulls Rural Finance Private Limited (formerly known as Liteman Fiscal Services Private Limited); and the deferred tax of the newly acquired subsidiary was ₹ 0.13 lakhs.

The Group has restricted the creation of deferred tax asset on unabsorbed business losses to the extent of ₹ 10,712.14 lakhs (31 March 2018: ₹ 27,098.11 lakhs) as there is no convincing evidence which demonstrate probability of realisation of deferred tax asset in the near future.

NOTE – 10

Non-current tax assets, net

Particulars	As at 31 March 2019	As at 31 March 2018
Advance income tax, including tax deducted at source (net of provisions)	3,540.29	3,307.10
Total	3,540.29	3,307.10

NOTE – 11

	Particulars	As at 31 March 2019	As at 31 March 2018
A	Other non-current assets (Unsecured, considered good)		
	Capital advance	87.66	94.45
	Prepaid expenses	263.08	411.97
	Total	350.74	506.42
B	Other current assets (Unsecured, considered good)		
	Advance to staff	15.25	8.84
	Advance to suppliers/service providers	579.29	302.29
	Prepaid expenses	113.57	179.96
	Balances with statutory and government authorities	1,022.05	479.98
	Advance for land (expected to get land)	30,000.00	30,000.00
	Others	6.54	14.53
	Total	31,736.70	30,985.60

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 12

Inventories

Particulars	As at 31 March 2019	As at 31 March 2018
Real estate project under development (at cost)		
Land	5,851.81	5,851.81
License and other regulatory fees	251.13	251.13
Cost of materials, construction cost and other overheads	11,482.89	11,482.89
	17,585.83	17,585.83
Less: cost of revenue recognized till date	(17,546.47)	(17,554.30)
Less: transferred to developed properties	(38.04)	-
	1.32	31.53
Real estate properties - developed (at cost)		
Cost of developed properties	38.04	-
Stores and spares	535.49	181.37
Stock of LED Lighting	64.82	72.32
Stock-in-trade (goods acquired for trading)	1,499.75	1,499.75
Total Inventories	2,139.42	1,784.97

NOTE – 13

Investments - current

Particulars	As at 31 March 2019	As at 31 March 2018
(i)		
(a) Investment in mutual funds (quoted)		
Indiabulls Liquid Fund - Direct Plan - Growth [5,08,052.27 (31 March 2018: 13,08,414.149) units, NAV: ₹ 1,825.3771 (31 March 2018: ₹ 1,698.2479) per unit]	9,273.66	22,220.12
(b) Indiabulls Dynamic Bond Fund - Direct Plan - Growth [48,369.713 (31 March 2018: nil)units, NAV: ₹ 1,033.7047 (31 March 2018: nil) per unit]	500.00	-
(c) Indiabulls Short Term Fund - Direct Plan - Growth [2,53,567.971 (31 March 2018: nil)units , NAV: ₹ 1,651.8064 (31 March 2018: nil) per unit]	4,188.45	-
(d) Indiabulls Ultra Short Term Fund - Direct Plan - Growth [2,86,773.407 (31 March 2018: nil)units , NAV: ₹ 1,866.2120 (31 March 2018: nil) per unit]	5,351.80	-
(e) Indiabulls Saving Fund - Direct Plan - Growth [100.00 (31 March 2018: nil) units, NAV: ₹ 1,043.5343 (31 March 2018: nil) per unit]	1.04	-
(f) Reliance Liquid Fund - Direct Plan - Growth* [5,156.75 (31 March 2018: Nil) units]	235.00	-
(g) SBI Liquid Fund - Direct Plan - Growth* [8,034.48 (31 March 2018: Nil) units]	235.00	-
Total of investment in mutual funds	19,784.95	22,220.12

(All Amounts in ₹ lakhs, unless otherwise stated)

Particulars		As at 31 March 2019	As at 31 March 2018
(ii)	Investment in non-convertible debentures (quoted) Indiabulls Consumer Finance Limited [23,50,000 (March 31, 2018: nil)units, NAV: 989.90 (March 31, 2018: nil) per unit]	23,262.64	-
(iii)	Investment in Commercial Papers (unquoted) Commercial Paper Indiabulls Real Estate Limited 24/05/2019 [9,000 (31 March 2018: Nil) units; Face Value ₹ 5,00,000 (31 March 2018: Nil) per unit]	44,368.07	-
	Total of investments - current	87,415.66	22,220.12
	Aggregate book value of quoted investments	43,047.59	22,220.12
	Aggregate book value of unquoted investments	44,368.07	-
	Aggregate market value of quoted investments	43,048.35	22,220.12

* in respect of investment by one of the step-down subsidiaries, namely, "Indiabulls Rural Finance Private Limited": all investments made in India and quoted current investments in units of Mutual Funds are in the nature of current investments and are valued at cost as per the directions of RBI Master Direction DNBR.PD.007/03.10.119/2016-17 dated 01 September 2016 (updated as on 22 February 2019).

NOTE - 14

Trade receivables-current*

Particulars	As at 31 March 2019	As at 31 March 2018
Considered good - Unsecured	8,660.49	10,105.25
Significant increase in Credit Risk	-	1,327.03
Less: Provision for doubtful debts	-	(1,327.03)
	8,660.49	10,105.25
Unbilled receivables	-	0.81
Total	8,660.49	10,106.06

* The Group does not have any trade receivables which are either credit impaired.

NOTE - 15

Cash and cash equivalents

Particulars	As at 31 March 2019	As at 31 March 2018
Cash on hand	26.30	23.59
Foreign currency on hand	0.62	0.44
Balances with banks		
In current accounts	1,052.98	2,428.02
In unclaimed dividend account*	4.88	1.48
Bank deposits with original maturity upto three months	-	65.03
Total	1,084.78	2,518.56

* Unclaimed dividend account pertains to dividend not claimed by equity shareholders and the Holding Company does not have any right on the said money.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 16

Other bank balances

Particulars	As at 31 March 2019	As at 31 March 2018
Bank deposits*		
With maturity of more than three months and upto twelve months	65.30	42.58
Total	65.30	42.58

* Bank deposit amounting to ₹ 64.77 lakhs (31 March 2018: ₹ 26.65 lakhs) (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

A. Equity share capital

Particulars		As at 31 March 2019		As at 31 March 2018	
i	Authorised	Number	Amount	Number	Amount
	Equity shares of face value of ₹ 2 each	40,00,00,000	8,000.00	40,00,00,000	8,000.00
		40,00,00,000	8,000.00	40,00,00,000	8,000.00
ii	Issued, subscribed and fully paid up				
	Equity share capital of face value of ₹ 2 each fully paid up	8,93,25,569	1,786.51	5,48,18,493	1,096.37
		8,93,25,569	1,786.51	5,48,18,493	1,096.37
iii	Reconciliation of number and amount of equity shares outstanding at the beginning and at the end of the year				
	Equity shares				
	Balance at the beginning of the year	5,48,18,493	1,096.37	5,07,18,493	1,014.37
	Add: Issued during the year	3,45,07,076	690.14	41,00,000	82.00
	Balance at the end of the year	8,93,25,569	1,786.51	5,48,18,493	1,096.37

iv During the financial year ended 31 March 2018, the Board of Directors of the Holding company being authorised by shareholders at the general meeting held on 22 November 2017, and in accordance with the provisions of section 42 and 62 of the Companies Act, 2013 and requirement contained in SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, approved the preferential issue of upto 3,50,00,000 (Three crores fifty lakhs) Warrants, convertible into equivalent number of equity shares of face value ₹ 2/- each of the Holding Company at the conversion price of ₹ 132/- (including premium of ₹ 130/-) per equity share to M/s Powerscreen Media Private Limited, M/s Calleis Real Estate Private Limited, M/s Calleis Constructions Private Limited and M/s Calleis Properties Private Limited, the promoter group entities, in accordance with applicable provisions of Chapter VII of Securities & Exchange Board of India (Issue of Capital & Disclosure requirement) Regulations 2009, ("SEBI ICDR Regulations"). During the financial year 2017-18, the Holding Company has, upon conversion of 41,00,000 share warrants, allotted 41,00,000 equity shares of face value of ₹ 2 each at the issue price of ₹ 132 (including premium of ₹ 130) per equity share held by promoter group entities.

v (1) The Holding Company, pursuant to and in terms of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, issued and allotted:

- on 28 May 2018, an aggregate of 1,00,00,000 fully paid up equity shares of face value of ₹ 2 each of the Holding Company at an issue price of ₹ 330 (including a premium of ₹ 328) per Equity Share, to certain foreign portfolio investors, registered with the SEBI, pursuant to and in terms of shareholders' approval dated 22 May 2018; and
- on 25 June 2018, an aggregate of 70,07,076 fully paid up equity shares of face value of ₹ 2 each of the Holding Company at an issue price of ₹ 532 (including a premium of ₹ 530) per Equity Share, to certain foreign investors, pursuant to and in terms of shareholders' approval dated 11 June 2018.

(All Amounts in ₹ lakhs, unless otherwise stated)

- (2) The Holding Company, pursuant to and in terms of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 and shareholders' approval dated 16 December 2017, allotted:
- on 28 May 2018, an aggregate of 75,00,000 equity shares; and
 - on 25 June 2018, an aggregate of 1,00,00,000 equity shares, at a conversion price of ₹ 132 (including a premium of ₹ 130) per equity share to certain promoter group entities of the Holding Company, upon exercise/ conversion of equivalent number of warrants.
- Pursuant to the preferential allotment and conversion of warrants, the paid up share capital of the Holding Company stands increased to ₹ 1,786.51 lakhs divided into 8,93,25,569 shares of ₹ 2 each.
- vi The Group does not have any shares issued for consideration other than cash during the immediately preceding five years. The Group did not buy back any shares during immediately preceding five years.
- vii The details of shares reserved for issue under Employee Stock Option Scheme (ESOS) of the Holding Company are given in note - 44
- viii **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 Group, all preferential amounts, if any, shall be discharged by the Group, the remaining assets of the Group 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 Group's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

ix **Details of shareholder holding more than 5% share capital**

Name of the equity shareholder as on 31 March 2019	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 2018	Number of shares
Jyeshta Infrastructure Private Limited	83,30,412
Kritikka Infrastructure Private Limited	85,53,576

B. **Preference share capital**

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
i Authorised				
Preference shares of face value of ₹ 10 each	3,00,00,000	3,000.00	30,000,000	3,000.00
Total	3,00,00,000	3,000.00	30,000,000	3,000.00

Name of the preference shareholder	March 31, 2019	March 31, 2018
	Number of shares	Number of shares
Indiabulls Real Estate Limited	-	25,17,700

25,17,700, 9% Non-Convertible non-cumulative redeemable preference shares were issued as full paid with a par value of ₹ 10 (securities premium ₹ 990) during the financial year 2011-12 and are classified as financial liabilities, see note 19.

During the current financial year 2018-19, the said preference shares were redeemed at ₹ 1,000 per share.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 18
Other Equity

Particulars	As at 31 March 2019	As at 31 March 2018
Reserves and Surplus		
General reserve	50,149.72	50,149.72
Capital reserve	942.49	942.49
Deferred employee compensation reserve	1,041.25	296.78
Securities Premium	98,027.87	5,359.37
Retained earnings	(13,059.44)	(19,758.66)
Share Warrant Money	4,422.00	10,197.00
Total	1,41,523.89	47,186.70

Nature and purpose of other reserves

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

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 Group 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 Group is required to create a general reserve out of the profits when the Holding Company declares dividend to shareholders.

Share Warrant Money

The 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 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

	Particulars	As at 31 March 2019	As at 31 March 2018
A	Borrowings - non-current		
	Secured borrowings:		
	Term loans		
	From banks	30,046.74	27,389.97
	Less: current maturities of long-term borrowings (refer note - 20)	(2,228.30)	(25,702.62)
		27,818.44	1,687.35
	From others	1,463.70	-
	Less: current maturities of long-term borrowings (refer note - 20)	(411.27)	-
		1,052.43	-
	Total of borrowings-non-current	28,870.87	1,687.35

(All Amounts in ₹ lakhs, 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 2019	305.83	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2018	-		
	31 March 2019	41.16	36 equated monthly instalment from date of disbursal.	
	31 March 2018	278.33		
ICICI Bank Limited	31 March 2019	397.65	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2018	-		
	31 March 2019	-	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2018	22.23		
	31 March 2019	9.75	35 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2018	65.20		
HDFC Bank Limited	31 March 2019	39.88	35 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2018	76.60		
	31 March 2019	221.90	23 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2018	470.79		
	31 March 2019	691.71	30 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2018	-		
	31 March 2019	-	23 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2018	134.79		
	31 March 2019	500.00	Repayable within 3 to 4 months	Secured by Hypothecation of Assets being financed.
	31 March 2018	1,500.00		
	31 March 2019	72.49	37 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2018	103.00		
	31 March 2019	2,411.30	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2018	-		
Axis Bank Limited	31 March 2019	555.60	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2018	374.11		
	31 March 2019	183.42	46 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2018	-		
Yes Bank Limited	31 March 2019	258.45	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2018	-		
*Indusind Bank Limited	31 March 2019	-	108 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed
	31 March 2018	1,223.39		
**Punjab National Bank	31 March 2019	24,357.60	Payable at the end of 2 years	Secured by Hypothecation of Assets being financed.
	31 March 2018	23,415.88	Payable at the end of 3 years	
SREI Equipment Finance Limited	31 March 2019	1,463.70	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2018	-		

* In the financial year ended 31 March 2016, the one of the subsidiaries of the Holding Company, namely, Airmid Aviation Services Limited ("the Subsidiary Company), has availed term loan of ₹ 13,500.00 lakhs from Indusind Bank Limited, secured by exclusive charge on three aircrafts (Bombardier Challenger CL 604-2B16 (CL-604), Airbus EC-135 P2+ and Cessana Citation Bravo 550), exclusive charge on all current assets (present and future) with respect to the aforesaid three aircrafts, receivable from assignment/hypothecation of lease agreements/take or pay/charter agreements in favor

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

of the lender with respect to the aforesaid three aircrafts, escrow of receivable from the lease agreements/take or pay/ charter agreements for the aforesaid three aircrafts of the subsidiary Company.

The Subsidiary Company has repaid the entire outstanding loan on 28 January 2019 and hence the outstanding balance as at 31 March 2019 is Nil (31 March 2018 : ₹ 1,223.39 lakhs).

** During the financial year ended 31 March, 2016, one of the subsidiaries of the Holding Company, namely, Airmid Aviation Services Limited (" the Subsidiary Company), has availed buyer's credit to acquire an aircraft (Bombardier Global 5000) of USD 3,60,00,000 which is sanction by Yes Bank Limited and disbursed by Punjab National Bank, Dubai, 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 buyer's credit is repayable after three years from the date of renewal. The said loan was renewed on 13 June 2018, and as per the new terms and conditions, the said loan and interest payments are to be made in Indian Currency. The entire loan is to be repaid on 02 June 2020 and the outstanding balance as at 31 March 2019 is USD 3,60,00,000 or ₹ 24,357.60 lakhs (31 March 2018: USD 3,60,00,000 or ₹ 23,415.88 lakhs).

	Particulars	As at 31 March 2019	As at 31 March 2018
B	Borrowings-current		
	Secured borrowings:		
	Working capital loan from bank	2,701.63	2,083.71
	Unsecured borrowings:		
	9% Redeemable non-cumulative, non-convertible preference share of face value of ₹ 10 each	-	25,177.00
	Loans and advances from others	-	12,420.00
	Total	2,701.63	39,680.71

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 2019	2,701.63	Repayable within 6 months from the date of disbursal	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 2018	1,083.71		
RBL Bank Limited (foreign currency term loan)	31 March 2019	-	Bullet payment after 3 months from the date of disbursal	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 2018	1,000.00		
Lucina Land Development Limited	31 March 2019	-	2 years from the date of first disbursement	Unsecured
	31 March 2018	12,420.00		

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 20

Particulars	As at 31 March 2019	As at 31 March 2018
Other financial liabilities - current		
Current maturities of non-current secured borrowings		
– from banks and financial institutions	2,639.57	25,702.62
Interest accrued but not due on borrowings:		
On term loan from banks	733.16	413.58
Unpaid dividend on equity shares*	4.88	1.48
Security deposits	357.34	141.54
Marked to market loss on forward contract	-	723.26
Expenses payable to others	1,014.46	729.61
Total	4,749.41	27,712.09

* 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 2019 and 31 March 2018.

NOTE – 21

	Particulars	As at 31 March 2019	As at 31 March 2018
A	Provisions - non-current		
	Provision for employee benefits		
	Gratuity	216.55	230.91
	Compensated absences	119.36	100.41
	Provision for warranties	17.97	-
	Total	353.88	331.32
B	Provisions - current		
	Provision for employee benefits		
	Gratuity	3.75	7.93
	Compensated absences	2.49	8.40
	Provision on standard assets as per RBI norms	35.32	-
	Total	41.56	16.33

NOTE – 22

	Particulars	As at 31 March 2019	As at 31 March 2018
A	Other liabilities - non-current		
	Obligation under operating lease	15.13	148.08
	Total	15.13	148.08
B	Other liabilities - current		
	Payable to statutory authorities	319.95	2,015.90
	Advance from customers	669.52	518.21
	Temporary overdrawn balance	3,172.65	-
	Other liabilities	55.86	-
	Total	4,217.98	2,534.11

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 23

Trade payables - current

Particulars	As at 31 March 2019	As at 31 March 2018
Due to micro and small enterprises*	504.34	253.73
Due to others	1,594.47	1,680.66
Retention Money	-	9.61
Total	2,098.81	1,944.00

*** Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (“MSMED Act, 2006”):**

Particulars	31 March 2019	31 March 2018
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	504.34	253.73
ii) Interest due thereon	6.01	Nil
iii) 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
iv) 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
v) the amount of interest accrued and remaining unpaid at the end of each accounting year	6.01	Nil
vi) 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.

NOTE – 24

Current tax liabilities, net

Particulars	As at 31 March 2019	As at 31 March 2018
Provision for income tax	2,698.49	225.53
Total	2,698.49	225.53

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 25

Revenue from operations

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from real estate project	1.58	36.20
Revenue from construction and advisory services	-	5,000.00
Revenue from management and maintenance services	1,521.15	8,524.27
Revenue from equipment renting services	8,499.70	5,242.68
Revenue from LED lighting	4,651.50	2,192.04
Revenue from trading of Scrap & Others	363.09	523.73
Revenue from air transportation services	2,008.53	1,656.41
Revenue from art gallery	4.05	-
Pilot hiring income	19.94	8.38
Other operating income		
Interest from customers on overdue balances	1.10	17.79
Interest on loans	13.08	-
Processing fee	1.14	-
Dividend received	4.94	-
Other income	-	72.93
Total	17,089.80	23,274.43

- a) Effective interest rate : Under Ind AS, the processing fee will be amortized over the life of loan using the “effective interest rate” method. Effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial assets or financial liability to the gross carrying amount of a financial liability.
- b) Processing Fees ₹ 102.80 lakhs are amortised at effective rate of interest 15.41% for a period of six years of loan asset.
- c) Commitment fees to originate loans aggregated to ₹ 0.92 lakhs considered as revenue for cases where there is no disbursement.

NOTE – 26

Other income

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Dividend Income on mutual funds	255.08	4.95
Dividend on equity shares	1,399.02	-
Interest income	2,625.66	524.23
Interest on income tax refund	5.59	125.72
Marked to market income on forward contract	180.26	-
Interest income on commercial papers	33.48	-
Profit on redemption of investments	13,010.93	698.80
Profit on fair valuation of financial instruments	71.28	210.12
Profit on sale of property, plant and equipment	9.24	1,621.91
Realised foreign exchange gain	0.45	10.17
Miscellaneous income	3.60	1.22
Liabilities written back	276.77	40.41
Total	17,871.36	3,237.53

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 27

Cost of revenue

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
For trading goods and products		
Purchase of stock in trade	3,209.75	1,417.62
(Increase)/decrease in inventory of finished goods		
Opening stock	1,499.75	1,499.75
Closing stock	(1,499.75)	(1,499.75)
For real estate		
(Increase) / decrease in real estate inventory		
Opening stock	31.52	62.52
Closing stock	(39.36)	(31.53)
Total	3,201.91	1,448.61

NOTE – 28

Operating Expenses

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Professional charges	165.94	168.63
Travelling and conveyance expenses	143.53	68.13
Power and fuel expenses	431.49	307.02
Aircraft maintenance charges	589.06	923.71
Crew accommodation charges	-	70.79
Landing and handling charges	329.79	258.94
Freight outward expenses	15.82	-
Clearance charges	4.24	-
Passenger expenses	3.34	-
Uniform expenses	0.48	-
Navigation and flight planning charges	79.41	66.41
Subscription charges	61.53	81.39
Catering expenses	35.06	30.98
Hire charges	0.50	23.27
Training expenses	110.04	80.83
Labour charges	1,661.51	2,011.05
Lift operating and maintenance charges	136.21	679.35
Gardening and maintenance	55.57	53.83
Common area electricity and water charges	537.19	426.64
Consumables expenses	735.60	220.80
House keeping charges	272.46	-
Security expenses	161.96	853.46
Telephone expenses	22.11	-
Rent expenses	-	497.17
Repairs and maintenance		
Others for buildings under maintenance	93.97	224.14
Plant and machinery	183.05	391.66
Transportation charges	538.67	249.85
Sample expenses	0.74	-
Property management and assets maintenance services	-	869.25
Total	6,369.27	8,557.30

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 29

Employee benefits expense

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries and wages	3,672.59	3,593.05
Bonus and ex-gratia	0.80	0.30
Gratuity and compensated absences	105.95	128.83
Contribution to provident fund and other funds	15.66	20.53
Staff welfare expenses	137.29	89.28
Share based payment expenses (refer note 43)	869.55	346.81
Total	4,801.84	4,178.80

NOTE – 30

Finance costs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Bank guarantee charges and commission	744.79	549.36
Realised loss on foreign exchange	14.84	-
Marked to market loss on forward contract	-	305.85
Interest expense	3,423.22	3,264.96
Interest expense on taxation	20.68	151.66
Total	4,203.53	4,271.83

NOTE – 31

Depreciation and amortisation expenses

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Property, plant and equipment	2,567.65	2,782.61
Other intangible assets	42.66	13.01
Total	2,610.31	2,795.62

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 32

Other expenses

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Advertisement and sales promotion expenses	985.59	207.90
Auditor's remuneration - as auditor	45.12	44.08
Office expenses	4.86	35.83
Provision for bad and doubtful debts	-	1,327.03
Director sitting fees	24.50	1.50
Bank charges	5.38	4.42
Communication expenses	52.36	37.08
Power and fuel expenses	0.42	0.34
Legal and professional charges	416.15	234.15
Preliminary expenses	0.02	2.22
Printing and stationery	21.86	24.41
Rates and taxes	151.64	49.33
Rent expenses	434.33	1,560.50
Share issue expenses	41.04	-
Loss on sale/written off of property plant and equipment	0.39	0.32
Repairs and maintenance		
Vehicles	4.19	5.04
Others	4.07	8.60
Brokerage and marketing expenses	10.27	9.23
Security Expenses	4.31	1.65
Software maintenance expenses	1.78	2.16
Subscription fee	-	0.50
Traveling and conveyance expenses	322.47	198.72
Corporate social responsibility expenses(refer note (i) below)	73.56	75.05
Insurance expenses	134.29	124.52
Customer incentive and other charges	1.15	6.05
Foreign exchange losses-realized	-	0.01
Donations and contributions	-	0.10
Balances written off	58.78	33.83
Miscellaneous expenses	29.64	20.68
Warranty expenses	17.97	-
Loss on fair value of investments	35.35	-
Incentives	13.96	-
Provisions against standard assets	34.80	-
Total	2,930.25	4,015.25

(All Amounts in ₹ lakhs, unless otherwise stated)

(i) Corporate social responsibility expenses

(a) Gross amount required to be spent by the Group during the year is ₹ 73.56 lakhs (31 March 2018: ₹ 75.05 lakhs).

(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 2019	-	-	-
	31 March 2018	-	-	-
(ii) On purposes other than (i) above	31 March 2019	73.56	-	73.56
	31 March 2018	75.05	-	75.05

NOTE – 33

Income tax

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Tax expense comprises of:		
Current tax (including earlier years)	3,170.10	483.79
Deferred tax charge/(credit)	(137.71)	(25.85)
Income tax expense reported in the statement of profit and loss	3,032.39	457.94

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 27.82% (31 March 2018: 34.608%) 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

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Accounting profit before income tax	10,844.05	1,244.55
At statutory income tax rate	4,189.19	430.71
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact of expenses with temporary difference	-	(4.35)
Tax impact on income taxable at the time of its realisation	333.45	-
Tax impact of exempted income	(408.60)	(125.07)
Earlier year tax expense	39.19	157.48
Tax impact of income chargeable at different rate	(1,177.09)	385.31
Tax impact of expenses which will never be allowed	313.60	136.78
Tax impact of on unabsorbed losses	(669.56)	(521.15)
Others	412.21	(1.77)
Income tax expense	3,032.39	457.94

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 34

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:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit attributable to equity holders for basic earnings per share	7,330.66	343.66
Profit attributable to equity holders for diluted earnings per share	7,330.66	343.66
Weighted average number of equity shares for basic earnings per share	8,26,32,140	5,08,64,520
Add: Share Warrants	1,03,48,261	33,99,657
Weighted average number of equity shares adjusted for diluted earnings per share	<u>9,29,80,401</u>	<u>5,42,64,177</u>
Earnings per equity share of face value ₹ 2/- each		
(1) Basic (₹)	8.87	0.68
(2) Diluted (₹)	7.88	0.63

NOTE – 35

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 2019	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	19,079.95	-	-	19,079.95
Non-convertible debentures	23,262.64	-	-	23,262.64
Commercial paper	44,368.07	-	-	44,368.07
Total financial assets	86,710.66	-	-	86,710.66

(All Amounts in ₹ lakhs, unless otherwise stated)

Financial assets measured at fair value

31 March 2018	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	22,220.12	-	-	22,220.12
Total financial assets	22,220.12	-	-	22,220.12

(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 non-convertible debentures on the last trading day of the respective financial year on stock exchange.
- (iii) Unit price of commercial papers on the last trading day of the respective financial year in secondary market.

NOTE – 36

Financial Risk Management

(i) Financial instruments by category

Particulars	31 March 2019			31 March 2018		
	FVTPL*	FVOCI#	Amortised cost	FVTPL*	FVOCI#	Amortised cost
Financial assets						
Investments						
– Mutual funds	19,079.95	-	705.00**	22,220.12	-	-
– Non-convertible debentures	23,262.64	-	-	-	-	-
– Commercial Paper	44,368.07	-	-	-	-	-
Trade receivables	-	-	8,660.49	-	-	10,106.06
Loans	-	-	14,039.42	-	-	58.53
Cash and cash equivalents	-	-	1,084.78	-	-	2,518.56
Other bank balances	-	-	65.30	-	-	42.58
Security deposits	-	-	567.33	-	-	242.63
Other financial assets	-	-	4,754.80	-	-	1.58
Total financial assets	86,710.66	-	29,877.12	22,220.12	-	12,969.94

Particulars	31 March 2019			31 March 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities						
Borrowings (including interest accrued)	-	-	34,945.23	-	-	67,484.26
Trade payables	-	-	2,098.81	-	-	1,944.00
Security deposits	-	-	357.34	-	-	141.54
Other financial liabilities	-	-	1,019.34	-	-	1,454.36
Total financial liabilities	-	-	38,420.72	-	-	71,024.16

* These financial assets are mandatorily measured at fair value.

These financial assets represents investment in equity instruments designated as such upon initial recognition.

** in respect of investment by one of the step-down subsidiaries, namely, "Indiabulls Rural Finance Private Limited": all investments made in India and quoted current investments in units of Mutual Funds are in the nature of current investments and are valued at cost as per the directions of RBI Master Direction DNBR.PD.007/03.10.119/2016-17 dated 01 September 2016 (updated as on 22 February 2019).

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

(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.

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 2019	31 March 2018
A: Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, loans, security deposits, investments(short-term) and other financial assets	1,16,587.78	35,190.06
C: High credit risk	Trade receivables	-	1,327.03

(All Amounts in ₹ lakhs, unless otherwise stated)

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 2019

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	1,084.78	-	1,084.78
Other bank balances	65.30	-	65.30
Loans	14,039.42	-	14,039.42
Security deposit	567.33	-	567.33
Other financial assets	4,754.80	-	4,754.80

As at 31 March 2018

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	2,518.56	-	2,518.56
Other bank balances	42.58	-	42.58
Loans	58.53	-	58.53
Security deposit	242.63	-	242.63
Other financial assets	1.58	-	1.58

Expected credit loss for trade receivables under simplified approach

Air transportation services receivables

The Group considers provision for lifetime expected credit loss. Given the nature of business operations, the Group's receivables from air transportation business 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
Loss allowance as on 31 March 2018	1,327.03
Impairment loss recognised during the year	-
Loss allowance as on 31 March 2019	1,327.03

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

(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 2019	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Non-derivatives					
Borrowings (including accrued interest)	6,074.36	1,979.30	26,200.33	691.24	34,945.23
Trade payables	2,098.81	-	-	-	2,098.81
Security deposits	357.34	-	-	-	357.34
Other financial liabilities	1,019.34	-	-	-	1,019.34
Total	9,549.85	1,979.30	26,200.33	691.24	38,420.72

31 March 2018	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Non-derivatives					
Borrowings (including accrued interest)	65,796.91	483.89	456.09	747.37	67,484.26
Trade payables	1,944.00	-	-	-	1,944.00
Security deposits	141.54	-	-	-	141.54
Other financial liabilities	1,454.36	-	-	-	1,454.36
Total	69,336.81	483.89	456.09	747.37	71,024.16

(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 2019	31 March 2018
Fixed rate borrowing	31,510.44	40,347.71
Variable rate borrowing	2,701.63	26,722.97
Total borrowings	34,212.07	67,070.68

(All Amounts in ₹ lakhs, unless otherwise stated)

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates.

Particulars	31 March 2019	31 March 2018
Interest rates - increase by 1% (31 March 2018 : 1%)	(27.02)	(267.23)
Interest rates - decrease by 1% (31 March 2018 : 1%)	27.02	267.23

(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

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Group profit for the periods -

Particulars	31 March 2019	31 March 2018
Price sensitivity		
Mutual fund		
Price increase by (2%) - FVTPL instrument (31 March 2018: 2%)	395.70	444.40
Price decrease by (2%) - FVTPL instrument (31 March 2018: 2%)	(395.70)	(444.40)
Non-convertible debentures		
Price increase by (2%) - FVTPL instrument (31 March 2018: 2%)	465.25	-
Price decrease by (2%) - FVTPL instrument (31 March 2018: 2%)	(465.25)	-
Commercial Papers		
Price increase by (2%) - FVTPL instrument (31 March 2018: 2%)	887.36	-
Price decrease by (2%) - FVTPL instrument (31 March 2018: 2%)	(887.36)	-

(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 incurrence 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:

(₹ in lakhs)

Particulars	Currency	31 March 2019	31 March 2018
Trade payables	USD	47.06	92.57
	GBP	-	8.94
Buyer credit	USD	-	16,911.47
Interest payable on buyer credit	USD	-	402.68
Advances	USD	67.30	2.40
	EUR	-	41.58

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

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 2019	31 March 2018	31 March 2019	31 March 2018
Trade payables	USD	(0.47)	(0.93)	0.47	0.93
	GBP	-	(0.09)	-	0.09
Buyer credit	USD	-	(169.11)	-	169.11
Interest payable on buyer credit	USD	-	(4.03)	-	4.03
Advances	USD	0.67	0.02	(0.67)	(0.02)
	EUR	-	0.42	-	(0.42)

NOTE – 37

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

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Net debt *	-	42,288.67
Total equity	1,51,354.91	48,290.81
Net debt to equity ratio	-	0.88

* Net debt includes long term borrowings, short term borrowings, current maturity of long term borrowings net off cash and cash equivalents (including fixed deposits and other liquid securities).

Current ratio

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Current assets	1,36,355.58	67,746.27
Current liabilities	16,507.88	72,112.77
Current ratio	8.26	0.94

Note - 38

Contingent liabilities and commitments

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Contingent liabilities		
Income tax matters for in respect of the which appeals have been filed by the Group*	847.23	333.64
Guarantees issued by banks to Sales tax and Custom department (secured by way of fixed deposits of the Group)	121.17	21.93
Claims (excluding interest) against the Group not acknowledged as debts	2,780.00	2,780.00
Commitments		
Estimated amount of Contracts remaining to be executed on capital account, net of advances	-	1,292.57
Letter of credit issued by the Group	-	382.62

(All Amounts in ₹ lakhs, unless otherwise stated)

* The Group has received order in its favour against income tax demand of ₹ 24.84 lakhs from Income Tax Appellate Tribunal (ITAT). The department has moved to High Court against the same.

* The Group has also received the order in its favour in relation to income tax demand to the extent of ₹ 260.31 lakhs from CIT (A) and the department filed appeal to ITAT Delhi. The Group has received the order in its favour from ITAT Delhi on 04 February 2019 and as a result the appeal of the department is dismissed.

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 2019 and 31 March 2018.

NOTE – 39

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 2019	Proportion of ownership interest as at 31 March 2018
SORIL Infra Resources Limited (formerly known as Store One Retail India limited)	India	64.71%	73.85%
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%	73.85%
Airmid Aviation Services Limited	India	100%	100%
Indiabulls Enterprises Limited*	India	100%	NA
Indiabulls Pharmacare Limited**	India	100%	NA
Indiabulls Rural Finance Private Limited (formerly known as Littleman Fiscal Services Private Limited)***	India	64.71%	NA

* incorporated on 02 January 2019

** incorporated on 17 January 2019

*** acquired on 25 January 2019

NOTE – 40

Related party transactions

Subsidiaries

Details in reference to subsidiaries are presented in Note – 39

Key management personnel

Mr. Surinder Singh Kadyan (Whole Time Director till 08 December 2017)

Mr. Manvinder Singh Walia (Whole Time Director from 08 December 2017)

During the year ended 31 March 2019 and 31 March 2018, there were no material transactions with related parties.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 41

To segregate the insurance and non-insurance business of the Group Companies of Indiabulls Integrated Services Limited ('the Holding Company'), an application has been filed for obtaining approval under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the composite draft scheme of amalgamation and arrangement amongst the Holding 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 under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, as amended.

NOTE – 42

Employee benefits

Defined contribution plan

The Group has made ₹ 8.07 lakhs (31 March 2018: ₹ 5.92 lakhs) contribution in respect of provident fund.

Defined benefit plan

The Group 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 ₹ 2.49 lakhs (31 March 2018: ₹ 8.40 lakhs) 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 17.84 years (31 March 2018: 16.58 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 17.84 years (31 March 2018: 16.58 years)

(All Amounts in ₹ lakhs, unless otherwise stated)

Actuarial (gain)/loss on obligation:

(₹ in lakhs)

Particulars	Gratuity		Compensated absence	
	For the year ended		For the year ended	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Actuarial (gain)/loss on arising from change in demographic assumption	-	-	-	-
Actuarial (gain)/loss on arising from change in financial assumption	11.84	(4.59)	5.96	(2.25)
Actuarial (gain)/loss on arising from change in experience adjustment	(69.88)	(13.16)	(33.53)	(11.28)

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

(₹ in lakhs)

Particulars	Gratuity		Compensated absence	
	For the year ended		For the year ended	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Service cost	55.55	79.26	46.21	33.83
Net interest cost	18.73	13.08	8.54	6.18
Actuarial (gain)/loss for the year	58.04	(17.75)	(23.43)	1.41
Expenses recognized/ (reversed) in the statement of profit and loss	16.24	74.60	31.32	41.42

Movement in the liability recognized in the balance sheet is as under:

(₹ in lakhs)

Particulars	Gratuity		Compensated absence	
	As at		As at	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Present value of defined benefit obligation at the beginning of the year	238.84	174.20	108.81	82.32
Acquisition adjustments	(31.60)	-	(14.12)	-
Current Service Cost	55.55	79.26	46.20	33.83
Interest Cost	18.73	13.08	8.54	6.18
Actuarial (gain)/ loss on obligation	(58.04)	(17.75)	(27.58)	(13.52)
Benefits paid	(3.18)	(9.95)	-	-
Present value of defined benefit obligation at the end of the year	220.30	238.84	121.85	108.81

Bifurcation of projected benefit obligation at the end of the year in current and non-current :

(₹ in lakhs)

Particulars	Gratuity		Compensated absence	
	As at		As at	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
a) Current liability (amount due within one year)	3.75	7.93	2.49	8.40

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

b)	Non - current liability (amount due over one year)	216.55	230.91	119.36	100.41
Total projected benefit obligation at the end of the year		220.30	238.84	121.85	108.81

For determination of the liability of the Group, the following actuarial assumptions were used:

Particulars	Gratuity		Compensated absence	
	As at		As at	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Discount rate	7.71%	7.93%	7.71%	7.93%
Salary escalation rate	5.50%	5.25%	5.50%	5.25%
Mortality table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)

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.

Maturity plan of defined benefit obligation:

(₹ in lakhs)

Year	31 March 2019		Year	31 March 2018	
	Gratuity	Compensated absence		Gratuity	Compensated absence
a) April 2019 – March 2020	3.74	2.49	April 2018 – March 2019	7.93	8.40
b) April 2020 – March 2021	2.58	2.33	April 2019 – March 2020	15.75	1.80
c) April 2021 – March 2022	4.72	2.19	April 2020 – March 2021	6.22	2.64
d) April 2022 – March 2023	3.00	2.25	April 2021 – March 2022	4.79	1.94
e) April 2023 – March 2024	3.58	6.67	April 2022 – March 2023	4.05	1.77
f) April 2024 – March 2025	16.82	2.75	April 2023 – March 2024	15.04	5.54
g) April 2025 onwards	185.81	103.17	April 2024 onwards	185.07	86.71

Sensitivity analysis of the defined benefit obligation:

(₹ in lakhs)

Particulars	Gratuity	Compensated absence	Gratuity	Compensated absence
	31 March 2019	31 March 2019	31 March 2018	31 March 2018
Impact of the change in discount rate				
Present value of obligation at the end of the year	220.30	121.85	238.84	108.81
a) Impact due to increase of 0.50 %	(13.38)	(7.43)	(14.20)	(6.46)
b) Impact due to decrease of 0.50 %	14.63	8.11	15.56	7.06
Impact of the change in salary increase				
Present value of obligation at the end of the year	220.30	121.85	238.84	108.81
a) Impact due to increase of 0.50 %	14.87	8.24	15.90	7.22
b) Impact due to decrease of 0.50 %	(13.72)	(7.62)	(14.62)	(6.65)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 43

Share based payments

Indiabulls Integrated Services Limited Employees Stock Options Scheme – 2011

The Holding Company established the Indiabulls Integrated Services Limited Employees Stock Options Scheme - 2011 (“IBISL 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 Indiabulls Integrated Services Limited Employee Stock Option Scheme – 2011 (IBISL ESOS) in line with the revised certificate of incorporation dated 16 May 2018.

Following is a summary of options granted under the plan:

Particulars	31 March 2019	31 March 2018
Opening balance	45,66,600	-
Granted during the year	-	45,66,600
Exercised during the year	-	-
Forfeited during the year	-	-
Closing balance	45,66,600	45,66,600
Vested and exercisable	9,13,320	-

Weighted average share exercised price during the year ended 31 March 2019: Nil (31 March 2018: Nil)

Particulars	IBISL 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.

During the financial year 2018-19, the Holding Company further 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 09 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.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

Following is a summary of options granted under the plan:

Particulars	31 March 2019	31 March 2018
Opening balance	-	-
Granted during the year	10,00,000	-
Exercised during the year	-	-
Forfeited during the year	-	-
Closing balance	10,00,000	-
Vested and exercisable	-	-

Weighted average share exercised price during the year ended 31 March 2019: Nil (31 March 2018: Nil).

Particulars	IBISL 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.

The total expense of share based payments recognized on above scheme during the year ended 31 March 2019 is ₹ 515.12 lakhs (31 March 2018: ₹ 155.45 lakhs)

SORIL Infra Resources Limited Employee Stock Option Scheme - 2009

The Shareholders of the subsidiary, namely, SORIL Infra Resources Limited (Subsidiary Company), vide postal ballot passed a special resolution on 09 February 2009 for issue of 15,00,000 (fifteen lakhs) 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 lakhs) 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 Scheme had earlier granted option at ₹ 30.45 per option and no option were exercised and allotted till 31 March 2019.

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 dated 21 December 2016.

Following is a summary of options granted under the Scheme:

Particulars	31 March 2019	31 March 2018
Opening balance	15,00,000	-
Granted during the year	-	15,00,000
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Closing balance	15,00,000	15,00,000
Exercisable at the year ended	-	-

(All Amounts in ₹ lakhs, unless otherwise stated)

Weighted average share price of exercised option on the date of exercise was for the year ended 31 March 2019: Nil (31 March 2018: 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	₹ 168.30
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.

SORIL Infra Resources Limited Employee Stock Option Scheme - 2009(II)

The shareholders of the subsidiary, namely, SORIL Infra Resources Limited (Subsidiary Company), 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 lakhs) equity settled options for eligible employees of the Subsidiary Company, its subsidiaries, its fellow subsidiaries and the Holding Company.

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 lakhs) stock options representing an equal number of Equity shares of face value ₹ 10 each in the 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 2019	31 March 2018
Opening balance	30,00,000	-
Granted during the year	-	30,00,000
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Closing balance	30,00,000	30,00,000
Exercisable at the year ended	-	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

Weighted average share price of exercised option on the date of exercise was for the year ended 31 March 2019: Nil (31 March 2018: Nil).

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	₹168.30
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.

During the year, the Subsidiary Company has recognised Share based payment expenses of ₹ 354.43 lakhs (31 March 2018: ₹ 191.36 lakhs) on the above scheme.

SORIL Infra Resources Limited Employee Stock option scheme -2018 ("SORIL Infra ESOS-2018")

On 29 September 2018, pursuant to the approval by the Shareholders of SORIL Infra Resources Limited (The Subsidiary Company) in the Annual general meeting, 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 lakhs) 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 Board of the Subsidiary Company has not granted any options under the scheme as on the reporting date 31 March 2019.

NOTE – 44

One of the subsidiaries of the Holding Company has acquired 100% Shareholding of Indiabulls Rural Finance Private Limited (Formerly known as Littleman Fiscal Services Private Limited) on 25 January 2019 vide RBI approval DNBS.CMD.NO. 829/13.12.037/2018-19 dated 12 December 2018 which is a Non Banking Financial Company ('NBFC'). Indian Accounting Standards (Ind AS) were applicable to the company w.e.f., 01.04.2017, consequently Ind AS were applicable on all the subsidiaries of the Company from the said date. However, the financial statements of above mentioned NBFC have been prepared as per Accounting Standards ('AS') specified in Annexure to Companies (Accounting Standards) Rules, 2006. The acquired Company has also prepared Ind AS compliant financial statements data which have been prepared solely for the purposes of preparation of consolidated financial statements keeping in view the clarification given by the Ministry of Corporate Affairs vide its Press Release No. 11/10/2009 CL-V dated 18 January 2016 wherein it has been stated that NBFCs shall not be allowed to voluntarily adopt Ind AS unless they fulfil the criteria prescribed in Para (I) & (II) of the above mentioned Press Release.

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 45

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: (₹ in lakhs)

Particulars	Amount
Net debt as at 31 March 2018	67,070.67
Fair valuation impact	274.34
Proceeds from current/non-current borrowings (including current maturities)	10,523.57
Repayment of current/non-current borrowings (including current maturities)	(43,656.52)
Net debt as at 31 March 2019	34,212.07

NOTE – 46

Operating Lease

The Group has taken premises on operating leases and lease rent of ₹ 162.38 lakhs (31 March 2018: ₹ 679.92 lakhs) in respect of the same has been charged to statement of profit and loss for the year ended. The minimum lease rentals payable in respect of such operating leases, are as under:

(₹ in lakhs)

Minimum lease rentals payable	For the year ended	
	31 March 2019	31 March 2018
Within one year	162.08	665.82
Later than one year but not later than five years	407.89	1,736.95
Later than five years	-	-
Total	569.97	2,402.77

NOTE – 47

Pursuant to recent judgement by the Hon'ble Supreme Court of India dated 28 February 2019, it was held that basic wages, for the purpose of provident fund, to include allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies and accordingly, the Group has not provided for any liability on account of this.

NOTE – 48

A search was conducted by the competent authority under section 132(1) of the Income Tax Act, 1961 ('the Act') at premises of the Company in the financial year ended 31 March 2017. Consequently, in order to avoid protracted tax litigation, the Company filed an application under Section 245C (1) of the Act before the Hon'ble Income Tax Settlement Commission ('ITSC') in October 2017 and deposited taxes thereon. As on March 31, 2019, the matter was pending before the Hon'ble ITSC for final determination.

NOTE – 49

Subsidiaries with material non-controlling interest ('NCI')

The Group includes following subsidiary, with material non-controlling interest, as mentioned below:

Description	Country	31 March 2019	31 March 2018
SORIL Infra Resources Limited (Formerly known as Store One Retail India Limited)	India	35.29%	26.15%

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

The summarized financial information of the subsidiary before inter-group eliminations is set out below:

SORIL Infra Resources Limited

Balance Sheet		(₹ in lakhs)	
Description	31 March 2019	31 March 2018	
Non-current assets	35,288.38	16,366.00	
Current assets	30,664.49	18,306.19	
Total assets	65,952.87	34,672.19	
Non-current liabilities	4,741.77	1,181.40	
Current liabilities	38,416.35	33,461.17	
Total liabilities	43,158.12	34,642.57	
Net assets/total equity	22,794.75	29.62	
Attributable to:			
Controlling interests	14,750.24	21.87	
Non-controlling interests	8,044.51	7.75	

Statement of profit and loss		(₹ in lakhs)	
Description	31 March 2019	31 March 2018	
Total revenue	16,879.32	18,335.37	
Profit for the year	1,395.22	1,726.24	
Total comprehensive income	1,460.67	1,725.85	
Attributable to non-controlling interests	515.48	451.31	

Cash flow information		(₹ in lakhs)	
Description	31 March 2019	31 March 2018	
Cash flow from operating activities	(12,855.16)	1,643.67	
Cash flow from investing activities	(11,711.65)	278.50	
Cash flow from financing activities	25,059.46	(3,537.26)	
Net increase/ (decrease) in cash and cash equivalents	492.65	(1,615.09)	

NOTE – 50

The Group has exposure to foreign exchange related risks.

The value of hedge and un-hedged foreign currency exposure, as of reporting date, is as below:

(a) Hedge portion of foreign currency exposure:

Particulars	31 March 2019		31 March 2018	
	(In USD)	(₹ in lakhs)	(In USD)	(₹ in lakhs)
Buyers credit	-	-	1,00,00,000	7,306.00

(b) Unhedge portion of foreign currency exposure:

Particulars	31 March 2019		31 March 2018	
	(In USD)	(₹ in lakhs)	(In USD)	(₹ in lakhs)
Trade payables	68,046.30	47.06	98,270	63.92
Buyers credit	-	-	2,60,00,000	16,911.47
Interest payable on buyers credit	-	-	6,19,080	402.68

(All Amounts in ₹ lakhs, unless otherwise stated)

Particulars	31 March 2019		31 March 2018	
	(In GBP)	(₹ in lakhs)	(In GBP)	(₹ in lakhs)
Trade payables	-	-	9,685	8.94

Note – 51

Business combinations

Acquisition of business

Acquisition during the year ended 31 March 2019

One of the subsidiaries of the Holding Company, namely SORIL Infra Resources Limited (“the Subsidiary Company”) acquired 100% stake on 25 January 2019 in Littleman Fiscal Services Private Limited (“the Company”) (via approval received from RBI on 12 December 2018 reference no. DNBS.CMD.No. 829/13.12.037/2018-19), a Non-Banking Finance Company registered with RBI, to foray into financial services business with the primary focus on financing in rural markets. Through this 100% owned NBFC, the Company would undertake such lending business to tap into lending opportunities in un-served rural India. Subsequently, the name of the acquired Company stood changed from Littleman Fiscal Services Private Limited to Indiabulls Rural Finance Private Limited.

Against the total enterprise value of ₹213.99 lakhs, effective purchase consideration in cash of ₹283.99 lakhs has been discharged by the Subsidiary Company.

Details of assets and liabilities of the acquired:

The fair value of the identifiable assets and liabilities of as at the date of acquisition were: (₹ in lakhs)

Particulars	Indiabulls Rural Finance Private Limited (formerly known as Littleman Fiscal Services Private Limited) Fair Value
Deferred tax assets	0.14
Non-current tax assets	1.25
Cash and cash equivalents	212.41
Other current assets	0.19
Total assets	213.99
Other financial liabilities	-
Current tax liabilities	-
Total liabilities	-
Net assets	213.99
Non-controlling interest	-
Purchase consideration	283.99

Acquisition during the year ended 31 March 2018

The Group has acquired 100% equity stake (with voting interests) of Indiabulls Life Insurance Company Limited (acquisition date 09 December 2017), Indian unlisted company. The acquisition was made to enhance the Group’s position in insurance market in India.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

Details of assets and liabilities of the acquired:

The fair value of the identifiable assets and liabilities of as at the date of acquisition were:

Particulars	Indiabulls Life Insurance Company Limited Fair Value
Cash and cash equivalents	0.65
Other bank balances	15.34
Other assets	0.12
Total assets	16.11
Other financial liabilities	0.23
Current tax liabilities	0.41
Total liabilities	0.64
Net assets	15.47
Non-controlling interest	-
Purchase consideration	5.00

Capital Reserve

The capital reserve arises amounted to ₹ 10.47 lakhs on account of above acquisition.

NOTE – 52

Revenue related disclosures

A Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Revenue from contracts with customers		
(i) Revenue from operations		
Revenue from sale of properties and developed plots	1.58	36.20
(ii) Other operating income	1.10	73.99
Total revenue covered under Ind AS 115	2.68	110.19

B Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	As at 31 March 2019	As at 31 March 2018
Contract assets		
Unbilled revenue	-	0.81
Total contract assets	-	0.81
Contract liabilities		
Advance from customers	89.95	276.81
Total contract liabilities	89.95	276.81
Receivables		
Trade receivables	70.70	179.18
Total receivables	70.70	179.18

(All Amounts in ₹ lakhs, unless otherwise stated)

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

C Significant changes in the contract liabilities balances during the year are as follows:

Particulars	As at 31 March 2019	As at 31 March 2018
	Contract liabilities	Contract liabilities
	Advances from customers	Advances from customers
Opening balance	179.18	113.03
Addition/ (Utilisation) during the year	(110.06)	29.95
Revenue recognised during the year	1.58	36.20
Closing balance	70.70	179.18

D There are no unsatisfied performance obligations as at 31 March 2019 against the advance received from the customers, as the billing for the same has been done by the Group as on 31 March 2019.

E Reconciliation of revenue recognised with contract revenue:

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Contract revenue	1.58	36.20
Revenue recognised	1.58	36.20

F Ind AS 115 'Revenue from Contracts with Customers', mandatory for reporting periods beginning on or after 01 April 2018, replaces existing revenue recognition requirements. Since the Group's real estate projects were completed before 01 April 2018, hence the application of Ind AS 115 has not impacted the Group's accounting for recognition of revenue from real estate properties. The Group has applied prospective approach in adopting the new standard and accordingly the restatement of the previous period numbers basis completion of contract for all the real estate projects across India is not applicable.

NOTE – 53

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 seven 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 seven reportable business segments:
- (i) Real estate
 - (ii) Aviation services
 - (iii) Maintenance and management services
 - (iv) Equipment Hiring Services
 - (v) LED Lighting
 - (vi) Construction, advisory and other related activities.
 - (vii) Financing and related activities.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

*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.

(All Amounts in ₹ lakhs, unless otherwise stated)

(B) Segment Information
Year ended 31 March 2019

Particulars	Real estate	Aviation services	Management and maintenance services	Equipment renting services	LED Lighting	Construction, advisory and other related activities	Financing and related activities	Others*	Total of segments	Adjustments and eliminations	Consolidated
Revenue											
External customers	2.68	2,028.47	2,014.65	8,006.22	4,651.50	363.08	19.15	4.05	17,089.80	-	17,089.80
Inter - segment	-	85.20	-	-	-	-	-	-	85.20	(85.20)	-
Total revenue	2.68	2,113.67	2,014.65	8,006.22	4,651.50	363.08	19.15	4.05	17,175.00	(85.20)	17,089.80
Segment expenses	664.73	3,987.87	1,774.47	6,257.25	5,981.62	95.50	165.16	605.67	19,532.27	(85.20)	19,447.07
Segment result	(662.05)	(1,874.20)	240.18	1,748.97	(1,330.12)	267.58	(146.01)	(601.62)	(2,357.27)	-	(2,357.27)
Segment assets	30,465.01	10,153.76	1,663.88	24,394.54	2,636.45	6.92	14,920.80	1,660.21	85,901.57	-	85,901.57
Segment liabilities	246.68	25,554.40	658.68	8,311.48	1,366.33	64.95	3,324.32	254.19	39,781.03	-	39,781.03
Other disclosures											
Capital expenditure	242.59	-	6.74	6,844.60	47.69	-	-	0.42	7,142.04	-	7,142.04
Non-cash expenditure other than depreciation	519.94	23.14	-	-	17.97	-	34.80	58.78	654.63	-	654.63
Depreciation and amortisation expenses	-	-	-	-	-	-	-	-	-	-	2,610.31

Year ended 31 March 2018

Particulars	Real estate	Aviation services	Management and maintenance services	Equipment renting services	LED Lighting	Construction, advisory and other related activities	Financing and related activities	Others*	Total of segments	Adjustments and eliminations	Consolidated
Revenue											
External customers	110.19	6,681.52	8,598.69	5,259.59	2,192.04	432.40	-	-	23,274.43	-	23,274.43
Inter - segment	-	503.70	-	-	-	-	-	-	503.70	(503.70)	-
Total revenue	110.19	7,185.22	8,598.69	5,259.59	2,192.04	432.40	-	-	23,778.13	(503.70)	23,274.43
Segment expenses	(360.86)	(8,208.45)	(5,686.31)	(4,425.66)	(3,016.05)	(254.52)	-	1,538.78	20,413.07	(503.70)	19,909.37
Segment profit	(250.67)	(1,023.23)	2,912.38	833.93	(824.01)	177.88	-	1,538.78	3,365.06	-	3,365.06
Segment assets	30,374.69	15,601.08	1,444.87	16,279.57	1,464.64	-	-	1,518.04	66,682.89	-	66,682.89
Segment liabilities	25,690.56	39,873.49	1,598.68	4,536.10	609.61	-	-	13.73	72,322.17	-	72,322.17
Other disclosures											
Capital expenditure	-	-	23.91	1,379.75	95.35	-	-	-	1,499.01	-	1,499.01
Non-cash expenditure other than depreciation	157.43	1,665.37	3.54	-	-	-	-	-	1,826.34	-	1,826.34
Depreciation and amortisation expenses	-	-	-	-	-	-	-	-	-	-	2,795.62

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

(C) Reconciliations to amounts reflected in the financial statement

(i)	Reconciliation of profit	31 March 2019	31 March 2018
	Segment profit/ (loss)	(2,357.27)	3,365.06
	Unallocated expenditure net of other unallocated income	16,186.75	(724.83)
	Interest expense	(2,985.43)	(1,395.68)
	Income-tax expense	(3,032.39)	(457.94)
	Profit after tax	7,811.66	786.61

(ii)	Reconciliation of assets	31 March 2019	31 March 2018
	Segment operating assets	85,901.57	66,682.89
	Other unallocable assets	98,103.46	29,285.11
	Total assets	1,84,005.03	95,968.00

(iii)	Reconciliation of liabilities	31 March 2019	31 March 2018
	Segment operating liabilities	39,781.03	72,322.17
	Other unallocable liabilities	5,966.71	1,957.35
	Total liabilities	45,747.74	74,279.52

NOTE – 54

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 (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)
Holding Company								
Indiabulls Integrated Services Limited (formerly known as SORIL Holdings and Ventures Limited and Indiabulls Wholesale Services Limited)	32.37%	44,752.98	27.78%	2,170.29	(9.34%)	(5.42)	27.51%	2,164.87
Indian subsidiaries								
SORIL Infra Resources Limited (formerly known as Store One Retail India limited)	28.33%	39,166.99	12.98%	1,013.90	112.77%	65.45	13.72%	1,079.35
Sentia Properties Limited	21.71%	30,021.73	(0.02%)	(1.58)	-	-	(0.02%)	(1.58)
Lucina Infrastructure Limited	1.28%	1,768.41	21.59%	1,686.78	-	-	21.43%	1,686.78
Albasta Wholesale Services Limited	0.86%	1,186.04	28.70%	2,241.88	-	-	28.49%	2,241.88
Mahabala Infracon Private Limited	1.74%	2,412.25	30.55%	2,386.35	-	-	30.32%	2,386.35

(All Amounts in ₹ lakhs, unless otherwise stated)

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 (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)	As % of consolidated profit	Amount (₹ in lakhs)
Ashva Stud and Agricultural Farms Limited	0.38%	521.87	37.69%	2,944.38	-	-	37.41%	2,944.38
Indiabulls Life Insurance Company Limited	22.98%	31,776.43	8.61%	672.54	-	-	8.55%	672.54
Indiabulls General Insurance Limited	0.06%	77.28	(0.13%)	(10.36)	-	-	(0.13%)	(10.36)
Airmid Aviation Services Limited	(9.71%)	(13,435.66)	(67.64%)	(5,291.48)	(3.43%)	(1.99)	(67.26%)	(5,293.47)
Indiabulls Enterprises Limited	0.00%	4.29	(0.01%)	(0.71)	-	-	(0.01%)	(0.71)
Indiabulls Pharmacare Limited	0.00%	4.68	(0.00%)	(0.33)	-	-	(0.00%)	(0.33)

Note – 55

Other matters

- 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 2019 and 31 March 2018.
- 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 2019, 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.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number: 005975N

Vikas Aggarwal

Partner

Membership Number: 097848

Place: Gurugram

Date: 23 April 2019

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

Priya Jain

Company Secretary

Ajit Kumar Mittal

Director

[DIN: 02698115]

Saurabh Garg

Chief Financial Officer

Independent Auditor's Report

To the Members of Indiabulls Integrated Services Limited

(Formerly known as SORIL Holdings and Ventures Limited and Indiabulls Wholesale Services Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Indiabulls Integrated Services Limited *(Formerly known as SORIL Holdings and Ventures Limited and Indiabulls Wholesale Services Limited)* ("the Company"), which comprise the Balance Sheet as at 31 March 2019, 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 2019, its profit 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 matter	How our audit addressed the key audit matter
<p>Accounting for fresh investment in wholly owned subsidiaries.</p> <p>The company's accounting for investment is set out in note 7 to the Standalone Financial Statements.</p> <p>During the year, the company has further invested in its wholly owned subsidiaries and also floated a new wholly owned subsidiary.</p> <p>The Investment resulted in the company's total exposure in the investment of its wholly owned subsidiaries amounting to ₹ 46,714.76 Lakhs as against ₹ 25,554.75 Lakhs in the previous Year. (Refer note -7 to the Standalone Financials Statements).</p> <p>The above transaction required audit focus due to significant impact on Standalone Financial Statements, the matter has been considered to be of most significance to the audit and accordingly, has been considered as a key audit matter for the current year audit.</p>	<p>Our audit procedures in relation to the accounting for fresh investment in wholly owned subsidiaries included, but not limited to the following:</p> <ul style="list-style-type: none"> • Understood the nature of transactions i.e. understanding of the terms of the Investments and assessing the proposed accounting treatment in relation to the accounting policies and relevant Ind AS. • Reviewed the management's process for review and implementation of such transactions. • Tested the completeness and accuracy of the data used for making the investments; and • Ensured appropriate disclosures in the Standalone Financial Statements with respect to Investments in wholly owned subsidiaries.

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.

Independent Auditor's Report (contd.)

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 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls 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 2019 – Refer Note 37 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 2019.
 - 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 2019.
- (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

Place: Gurugram
Date: 23 April 2019

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 2019, 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 other than those mentioned below:

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Period to which the amount relates	Due Date	Date of payment
Income tax Act, 1961	Advance tax	78.73	Financial Year 2018-19	15 June 2018	Not yet paid
Income tax Act, 1961	Advance tax	157.46	Financial Year 2018-19	15 September 2018	Not yet paid

- (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 (₹ in lakhs)	Amount paid under protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	24.84	—	Assessment Year 2010-11	High Court
Income Tax Act, 1961	Income Tax	48.49	1.08	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 made preferential allotment (conversion of share warrants issued into equity shares) and private placement of shares. In respect of the same, in our opinion, the Company has complied with the requirements of section 42 of the Act and the amount raised have been used for the purpose for which the funds were raised.
- (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

Place: Gurugram
Date: 23 April 2019

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 2019 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 (formerly known as "SORIL Holdings and Ventures Limited" and "Indiabulls Wholesale Services Limited") ('the Company') as of 31 March 2019 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's 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 2019, 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

Place: Gurugram

Date: 23 April 2019

Balance Sheet

as at 31 March 2019

(All Amounts in ₹ Lakhs, unless otherwise stated)

	Note	31 March 2019	31 March 2018
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	6A	83.54	18.45
(b) Other intangible assets	6B	136.11	-
(c) Financial assets			
Investments	7A	53,267.16	32,107.15
Loans	8A	27.18	27.18
(d) Deferred tax assets, net	9	181.38	38.07
(e) Non-current tax assets, net	10	8.39	16.28
Total		53,703.76	32,207.13
Current assets			
(a) Inventories	11	38.04	30.20
(b) Financial Assets			
Investments	7B	65,358.19	30,374.65
Trade receivables	12	70.70	179.18
Cash and cash equivalents	13	32.60	65.90
Loans	8B	45,258.96	36,858.38
Other financial assets	14	13.50	43.02
(c) Other current assets	15	244.24	60.65
Total		1,11,016.23	67,611.98
Total of Assets		1,64,719.99	99,819.11
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	1,786.51	1,096.37
(b) Other equity	17	1,61,925.69	72,995.24
Total equity		1,63,712.20	74,091.61
Liabilities			
Non-current liabilities			
(a) Provisions	18A	19.43	11.16
Total		19.43	11.16
Current liabilities			
(a) Financial liabilities			
Borrowings	19	-	25,177.00
Trade payables	20		
– total outstanding dues of micro enterprises and small enterprises		-	-
– total outstanding dues of creditors other than micro enterprises and small enterprises		256.20	36.89
Other financial liabilities	21	56.72	56.46
(b) Other current liabilities	22	150.12	287.66
(c) Provisions	18B	0.47	0.28
(d) Current tax liabilities, net	23	524.85	158.05
Total		988.36	25,716.34
Total of Equity and Liabilities		1,64,719.99	99,819.11
Summary of significant accounting policies	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: 23 April 2019

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

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 2019

(All Amounts in ₹ lakhs, unless otherwise stated)

	Note	Year ended	
		31 March 2019	31 March 2018
Revenue			
Revenue from operations	24	2.68	110.19
Other income	25	4,429.91	1,144.60
Total Revenue		4,432.59	1,254.79
Expenses			
Cost of revenue	26	-	-
Cost of materials consumed		-	-
Changes in inventories of real estate properties		(7.84)	30.99
Employee benefits expense	27	639.25	215.83
Finance costs	28	13.45	150.77
Depreciation and amortisation expense	6	41.00	8.94
Other expenses	29	767.57	125.08
Total Expenses		1,453.43	531.61
Profit before tax		2,979.16	723.18
Tax expense	30		
Current tax (including earlier years)		934.35	382.95
Less: minimum alternative tax credit entitlement		-	(38.07)
Deferred tax (credit)/charge		(143.31)	150.36
Profit after tax		2,188.12	227.94
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement loss on defined benefits plans		(5.42)	(1.01)
Total other comprehensive income net of tax		(5.42)	(1.01)
Total Comprehensive Income for the year		2,182.70	226.93
Earnings per equity share	31		
Basic (₹)		2.65	0.45
Diluted (₹)		2.35	0.42
Summary of significant accounting policies	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: 23 April 2019

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

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 2019

(All Amounts in ₹ lakhs, unless otherwise stated)

		Year ended	
		31 March 2019	31 March 2018
A.	Cash flow from operating activities:		
	Profit before income tax for the year	2,979.16	723.18
	Adjustments to reconcile net profit to net cash provided by operating activities:		
	Depreciation and amortisation expense	41.00	8.94
	Interest income	(1,732.28)	(404.84)
	Dividend income	(17.82)	(17.82)
	Loss on written off of property, plant and equipment	0.39	0.32
	Profit on sale of Investments	(2,571.38)	(715.68)
	Provision for gratuity and compensated absences	4.82	1.65
	Balances written back	(107.91)	-
	Share based payment expense	515.12	155.45
	Operating loss before working capital changes	(888.90)	(248.80)
	Changes in operating assets and liabilities		
	Decrease/(Increase) in trade receivables	108.48	(66.15)
	Decrease/(Increase) in loans and advances	-	1.20
	Decrease/(Increase) in other financial assets	29.52	(43.02)
	(Increase)/Decrease in other current assets	(183.59)	22.84
	(Increase)/Decrease in inventories	(7.85)	30.99
	Increase/(Decrease) in trade payables	219.31	(183.74)
	Increase in other financial liabilities	27.07	31.62
	Decrease in other current liabilities	(58.20)	(4.74)
	Cash used in operating activities	(754.16)	(459.80)
	Income tax (paid)/refund received, net	(559.67)	(197.83)
	Net cash used in operating activities	(1,313.83)	(657.63)
B.	Cash flow from investing activities:		
	Purchase of property, plant and equipment	(242.59)	(123.04)
	Proceeds from sale of property, plant and equipment	-	118.91
	Investment in equity shares of subsidiaries	(21,160.01)	(11,100.00)
	Redemption/(Investment) in mutual funds, net	11,955.90	(9,239.36)
	Investment in commercial paper	(44,334.59)	-
	Inter-corporate loans (given)/received back, net	(8,400.58)	5,420.75
	Interest income on inter-corporate loans	1,698.80	-
	Dividend income	17.82	17.82
	Net cash used in investing activities	(60,465.25)	(14,904.92)

Statement of Cash Flows

for the year ended 31 March 2019 (Contd.)

(All Amounts in ₹ Lakhs, unless otherwise stated)

		Year ended	
		31 March 2019	31 March 2018
C.	Cash flow from financing activities: <i>(Refer note-43)</i>		
	Proceeds from issue of equity shares	70,258.64	-
	Proceeds from issue of share warrants	-	11,550.00
	Proceeds on conversion of warrants into equity shares	17,325.00	4,059.00
	Redemption of preference shares	(25,177.00)	-
	Dividend paid on equity share capital, including corporate dividend tax	(660.86)	-
	Net cash generated from financing activities	61,745.78	15,609.00
D.	(Decrease)/Increase in cash and cash equivalents, net (A + B + C)	(33.30)	46.45
E.	Cash and cash equivalents at the beginning of the year	65.90	19.45
F.	Cash and cash equivalents at the end of the year (D + E)	32.60	65.90
G.	Reconciliation of cash and cash equivalents as per cash flow statement		
	Cash and cash equivalents includes		
	Cash on hand	0.07	-
	Balances with banks		
	In current accounts	27.65	64.42
	In unclaimed dividend account	4.88	1.48
	Total	32.60	65.90

- (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: 23 April 2019

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

Priya Jain

Company Secretary

Ajit Kumar Mittal

Director

[DIN: 02698115]

Saurabh Garg

Chief Financial Officer

Statement of Changes in Equity

as at 31 March 2019

(All Amounts in ₹ lakhs, unless otherwise stated)

A. Equity share capital*

Particulars	Opening balance as at 01 April 2017	Issue of equity share capital during the year	Balance as at 31 March 2018	Issue of equity share capital during the year	Balance as at 31 March 2019
Equity share capital	1,014.37	82.00	1,096.37	690.14	1,786.51

B. Other equity**

(All Amounts in ₹ lakhs, 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 2017	50,149.72	942.49	-	29.37	5,964.28	-	-	57,085.86
Profit for the year	-	-	-	-	227.94	-	-	227.94
Other comprehensive income								
Re-measurement of defined benefit plans (net of tax)	-	-	-	-	(1.01)	-	-	(1.01)
Share based payment expense	-	-	155.45	-	-	-	-	155.45
Receipts of share warrant money	-	-	-	-	-	-	11,550.00	11,550.00
Issue of equity shares (conversion of share warrants)	-	-	-	5,330.00	-	-	(1,353.00)	3,977.00
Balance as at 31 March 2018	50,149.72	942.49	155.45	5,359.37	6,191.21	-	10,197.00	72,995.24
Profit for the year	-	-	-	-	2,188.12	-	-	2,188.12
Other comprehensive income:								
Re-measurement of defined benefit plans (net of tax)	-	-	-	-	(5.42)	-	-	(5.42)
Share based payment expense	-	-	515.12	-	-	-	-	515.12
Dividend on equity shares	-	-	-	-	(548.18)	-	-	(548.18)
Corporate dividend tax	-	-	-	-	(112.68)	-	-	(112.68)
Issue of equity shares (conversion of share warrants)	-	-	-	92,668.49	-	-	(5,775.00)	86,893.49
Balance as at 31 March 2019	50,149.72	942.49	670.57	98,027.86	7,713.05	-	4,422.00	161,925.69

*Refer Note-16

**Refer Note-17

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: 23 April 2019

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

Priya Jain

Company Secretary

Ajit Kumar Mittal

Director

[DIN: 02698115]

Saurabh Garg

Chief Financial Officer

1. Nature of principal activities

Indiabulls Integrated Services Limited (formerly known as “SORIL Holdings and Ventures Limited and “Indiabulls Wholesale Services Limited”) “the Company”, was incorporated on 24 July 2007 with the main objects of carrying on the business of real estate projects on land situated in Ahmedabad (Gujarat) and Hyderabad (Andhra Pradesh).

During the year ended 31 March 2019, the name of the Company stood changed from ‘SORIL Holdings and Ventures Limited’ to ‘Indiabulls Integrated Services Limited vide fresh Certificate of Incorporation dated 16 May 2018, issued by Registrar of Companies, NCT of Delhi & Haryana.

During the year ended 31 March 2017, the name of the Company stood changed from ‘Indiabulls Wholesale Services Limited’ to ‘SORIL Holdings and Ventures Limited’ vide fresh Certificate of Incorporation dated 27 March 2017, issued by Registrar of Companies, NCT of Delhi & Haryana.

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.

2. General information & statement of compliance with Ind AS

The 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 (‘the Act’) (to the extent notified) and guidelines issued by Securities Exchange Board of India (SEBI), read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs (‘MCA’)) and relevant amendments rules issued thereafter. The Company has uniformly applied the accounting policies during the periods presented.

The financial statements for the year ended 31 March 2019 were authorized and approved for issue by the Board of Directors on 23 April 2019. The revisions to the financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3. Basis of preparation

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities are categorized into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

4. Recent accounting pronouncement

Ministry of Corporate Affairs (“MCA”), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new amendments to Ind ASs which the Company has not applied as they are effective from 01 April 2019:

Ind AS 116, Leases

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

Amendment to Ind AS 12, Income taxes

On 30 March 2019, Ministry of Corporate Affairs (“MCA”) has notified Appendix C to Ind-AS 12 Income taxes – “Uncertainty over Income Tax Treatments”. The amendment to Ind AS 12 requires the entities to consider recognition and measurement requirements when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognise and measure its current or deferred tax asset or liability accordingly. The effective date of amendment is 01 April 2019. Further, there has been amendments in relevant paragraphs in Ind-AS 12 “Income Taxes” which clarifies that an entity

shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events in accordance with Ind-AS 109. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 19, Employee benefits

On 30 March 2019, Ministry of Corporate Affairs (“MCA”) has issued an amendment to Ind AS 19 which requires the entities to determine current service cost using actuarial assumptions and net interest using discount rate determined at the start of the annual reporting period. However, if an entity re-measures the net defined benefit liability (asset) as per the requirement of the standard, it shall determine current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to re-measure the net defined benefit liability (asset). The effective date of amendment is 01 April 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 109, Financial instruments

On 30 March 2019, Ministry of Corporate Affairs (“MCA”) issued an amendment to Ind-AS 109 in respect of prepayment features with negative compensation, which amends the existing requirements in Ind-AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. This amendment is effective for annual periods beginning on or after 01 April 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

Amendment to Ind AS 23, Borrowing costs

On 30 March 2019, Ministry of Corporate Affairs (“MCA”) issued an amendment to Ind-AS 23 “Borrowing Costs” clarifies that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings. This amendment is effective for annual periods beginning on or after 01 April 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

5. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement basis summarized below:

a) 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.

b) 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 Company. 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.

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 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.

c) Intangible assets

Recognition and initial measurement

Intangible assets (software) 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 (amortization)

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

d) Inventories

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

Real estate project 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 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.

e) 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:

Revenue from sale of properties and developed plots

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 Company 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 Company 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 Company 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 Company 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.

Service revenue

Income from real estate advisory services is recognized on accrual basis when services are completed, except in cases where ultimate collection is considered doubtful.

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 customer on accrual basis except in cases where ultimate collection is considered doubtful.

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.

f) 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 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-recognized 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

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.

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.

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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

g) 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.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

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.

h) 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 recoverable amount of the asset or the cash generating unit is estimated. 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 recognised 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 recognised are accordingly reversed in the Statement of Profit and Loss.

i) 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.

j) 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 recognised in the Statement of Profit and Loss in the year in which they arise.

k) 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 alternative 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 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. 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).

l) 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.

m) 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 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.

n) 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.

o) 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.

p) 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.

q) Significant management judgment in applying accounting policies and estimation uncertainty

The preparation of the Company's 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 Company'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 Company 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 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/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 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 6A
Property, Plant and Equipment

Particulars	Building	Plant & Machinery	Office Equipment	Computers	Furniture and Fixtures	Vehicles	Total
Gross carrying amount							
Balance as at 01 April 2017	2.13	3.58	28.64	91.90	5.03	70.78	202.06
Additions	-	123.04	-	-	-	-	123.04
Disposals/assets written off	2.13	123.13	27.23	29.85	3.61	-	185.95
Balance as at 31 March 2018	-	3.49	1.41	62.05	1.42	70.78	139.15
Additions	-	-	-	56.94	-	21.24	78.18
Disposals/assets written off	-	-	0.03	61.72	0.78	42.18	104.71
Balance as at 31 March 2019	-	3.49	1.38	57.27	0.64	49.84	112.62
Accumulated depreciation							
Balance as at 01 April 2017	2.13	1.61	27.42	91.67	3.53	52.12	178.48
Charge for the year	-	4.49	0.27	0.11	0.35	3.72	8.94
Adjustments for disposals	2.13	4.18	27.23	29.85	3.33	-	66.72
Balance as at 31 March 2018	-	1.92	0.46	61.93	0.55	55.84	120.70
Charge for the year	-	0.34	0.27	8.25	0.10	3.74	12.70
Adjustments for disposals	-	-	0.03	61.72	0.39	42.18	104.32
Balance as at 31 March 2019	-	2.26	0.70	8.46	0.26	17.40	29.08
Net carrying value as at 31 March 2018	-	1.57	0.95	0.12	0.87	14.94	18.45
Net carrying value as at 31 March 2019	-	1.23	0.68	48.81	0.38	32.44	83.54

- (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.

NOTE – 6B
Other Intangible Assets

Particulars	Software
Gross carrying amount	
Balance as at 01 April 2017	439.73
Additions	-
Disposals/assets written off	-
Balance as at 31 March 2018	439.73
Additions	164.41
Disposals/assets written off	439.73
Balance as at 31 March 2019	164.41
Accumulated depreciation	
Balance as at 01 April 2017	439.73
Charge for the year	-
Balance as at 31 March 2019	439.73
Charge for the year	28.30
Adjustments for disposals	439.73
Balance as at 31 March 2019	28.30
Net carrying value as at 31 March 2018	-
Net carrying value as at 31 March 2019	136.11

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 7

Particulars		As at 31 March 2019		As at 31 March 2018	
		Number	(₹ in lakhs)	Number	(₹ in lakhs)
A.	Investments - non-current*				
(i)	Investment in equity shares				
(a)	Subsidiaries (Fully paid up) - Unquoted**				
	Lucina Infrastructure Limited	85,50,000	1,083.28	50,000	233.27
	Sentia Properties Limited	50,000	3,702.99	50,000	3,702.99
	Albasta Wholesale Services Limited	10,00,50,000	10,006.95	10,00,50,000	10,006.95
	Mahabala Infracon Private Limited	30,50,000	305.00	50,000	5.00
	Ashva Stud and Agricultural Farms Limited	50,000	5.00	50,000	5.00
	Airmid Aviation Services Limited	-	501.54	-	501.54
	Indiabulls Life Insurance Company Limited	15,00,00,000	31,000.00	11,00,00,000	11,000.00
	Indiabulls General Insurance Limited	10,00,000	100.00	10,00,000	100.00
	Indiabulls Enterprises Limited	1,00,000	10.00	-	-
			46,714.76		25,554.75
(b)	Subsidiaries (Fully paid up) - Quoted**				
	SORIL Infra Resources Limited (formerly known as Store One Retail India Limited)	2,03,83,310	6,552.40	2,03,83,310	6,552.40
			6,552.40		6,552.40
Total			53,267.16		32,107.15
	Aggregate book value of unquoted investments		46,714.76		25,554.75
	Aggregate book value of quoted investments		6,552.40		6,552.40
	Aggregate market value of quoted investments		61,883.73		39,472.28

* 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.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

Particulars		As at 31 March 2019		As at 31 March 2018	
		Number	(₹ in lakhs)	Number	(₹ in lakhs)
B.	Investments - current				
(i)	Investment in preference shares Unquoted**				
	Subsidiaries (fully paid up)				
	Albasta Wholesale Services Limited	3,00,00,000	3,000.00	3,00,00,000	3,000.00
	SORIL Infra Resources Limited (formerly known as Store One Retail India Limited)	1,97,95,000	17,419.60	1,97,95,000	17,419.60
(ii)	Investment in mutual funds (quoted)				
	Indiabulls Liquid Fund - Direct Plan - Growth		570.52		9,955.05
	[31,254.942 (31 March 2018: 5,86,195.14) units, NAV: ₹ 1,825.3771 (31 March 2018: ₹ 1,698.25)]				
(iii)	Investment in commercial papers (Unquoted)				
	Commercial Paper Indiabulls Real Estate Limited 24/05/2019		44,368.07		-
	[9,000 (31 March 2018: Nil) units Face Value ₹ 5,00,000 (31 March 2018: Nil)]				
			65,358.19		30,374.65
Total			1,18,625.35		62,481.80
	Aggregate book value of unquoted investments		64,787.67		20,419.60
	Aggregate book value/market value of quoted investments		570.52		9,955.05

** Face value of ₹ 10 each unless otherwise stated.

NOTE – 8

Particulars		As at 31 March 2019	As at 31 March 2018
A.	Loans - non-current*		
	Security deposits		
	Considered good - Unsecured	27.18	27.18
Total		27.18	27.18

*The Company does not have any loans which are either credit impaired or where there is significant increase in credit risk.

Particulars		As at 31 March 2019	As at 31 March 2018
B.	Loans - Current*		
	Inter-corporate loans to related parties (Refer note-36)		
	Considered good - Unsecured	45,258.96	36,858.38
Total		45,258.96	36,858.38

*The Company does not have any loans which are either credit impaired or where there is significant increase in credit risk.

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 9

Deferred tax assets, net

Particulars	As at 31 March 2019	As at 31 March 2018
Deferred tax asset arising on account of:		
Share based payment	143.31	-
Minimum alternative tax credit entitlement	38.07	38.07
Total	181.38	38.07

Caption wise movement in deferred tax assets as follows:

Particulars	As at 01 April 2017	Recognised in other comprehensive income	Recognised in profit and loss	As at 31 March 2018
Deferred tax asset arising on account of:				
Depreciation and amortisation	7.21	-	(7.21)	-
Provision of employee benefits	3.04	-	(3.04)	-
Effective interest on long term loans and advances	140.11	-	(140.11)	-
Sub-Total	150.36		(150.36)	
Minimum alternative tax credit entitlement	-	-	38.07	38.07
Total	150.36		(112.29)	38.07

Particulars	As at 01 April 2018	Recognised in other comprehensive income	Recognised in profit and loss	As at 31 March 2019
Deferred tax asset arising on account of:				
Share based payment	-	-	143.31	143.31
Sub-Total			143.31	143.31
Minimum alternative tax credit entitlement	38.07	-	-	38.07
Total	38.07		143.31	181.38

The Company has restricted the recognition of deferred tax asset on unabsorbed losses Nil (31 March 2018: ₹ 216.41 lakhs), 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

Non-current tax assets, net

Particulars	As at 31 March 2019	As at 31 March 2018
Advance income tax, including tax deducted at source	8.39	16.28
Total	8.39	16.28

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 11
Inventories

Particulars	As at 31 March 2019	As at 31 March 2018
Real estate properties - under development (at cost)		
Land	5,850.78	5,850.78
License and other regulatory fees	251.13	251.13
Cost of materials, construction cost and other overheads	11,482.59	11,482.59
	17,584.50	17,584.50
Less: cost of revenue recognized till date	17,546.46	17,554.30
Less: transferred to developed properties	(38.04)	-
	-	30.20
Real estate properties - developed (at cost)		
Cost of developed properties	38.04	-
Total Inventories	38.04	30.20

NOTE – 12
Trade receivables*

Particulars	As at 31 March 2019	As at 31 March 2018
Considered good - Unsecured	70.70	178.38
Unbilled Debtors	-	0.80
Total	70.70	179.18

*The Company does not have any trade receivables which are either credit impaired or where there is significant increase in credit risk.

NOTE – 13
Cash and cash equivalents

Particulars	As at 31 March 2019	As at 31 March 2018
Cash on hand	0.07	-
Balances with banks		
In current accounts	27.65	64.42
In unclaimed dividend account*	4.88	1.48
Total	32.60	65.90

* Unclaimed dividend account pertains to dividend not claimed by the equity shareholders and the Company does not have any right on the said money.

NOTE – 14
Other financial assets - current

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good		
Other advances	13.50	43.02
Total	13.50	43.02

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 15

Other current assets

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good		
Advance to staff	7.50	0.83
Advance to suppliers/service providers	3.70	3.78
Prepaid expenses	0.68	-
Balances with statutory and government authorities	232.36	56.04
Total	244.24	60.65

NOTE – 16

A. Equity share capital

(i)	Authorised	Number	(₹ in lakhs)	Number	(₹ in lakhs)
	Equity shares of face value of ₹ 2 each	40,00,00,000	8,000.00	40,00,00,000	8,000.00
		40,00,00,000	8,000.00	40,00,00,000	8,000.00
(ii)	Issued, subscribed and fully paid up				
	Equity shares of face value of ₹ 2 each fully paid up	8,93,25,569	1,786.51	5,48,18,493	1,096.37
		8,93,25,569	1,786.51	5,48,18,493	1,096.37
(iii)	Reconciliation of number and amount of equity shares outstanding at the beginning and at the end of the year				
	Equity shares				
	Balance at the beginning of the year	5,48,18,493	1,096.37	5,07,18,493	1,014.37
	Add: Issued during the year	3,45,07,076	690.14	41,00,000	82.00
	Balance at the end of the year	8,93,25,569	1,786.51	5,48,18,493	1,096.37

(iv) During the year ended 31 March 2018, the Board being authorised by shareholders at the general meeting held on 22 November 2017, and in accordance with the provisions of section 42 and 62 of the Companies Act, 2013 and requirement contained in SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, approved the preferential issue of upto 3,50,00,000 (Three crores fifty lakhs) Warrants, convertible into equivalent no. of equity shares of face value ₹ 2/- each of the Company at the conversion price of ₹ 132/- (including premium of ₹ 130/-) per equity share to M/s Powerscreen Media Private Limited, M/s Calleis Real Estate Private Limited, M/s Calleis Constructions Private Limited and M/s Calleis Properties Private Limited, the promoter group entities, in accordance with applicable provisions of Chapter VII of Securities & Exchange Board of India (Issue of Capital & Disclosure requirement) Regulations 2009, ("SEBI ICDR Regulations"). During the current year, the Company has, upon conversion of 41,00,000 share warrants, allotted 41,00,000 equity shares of face value of ₹ 2 each at the issue price of ₹ 132 (including premium of ₹ 130) per equity share held by promoter group entities.

(v) 1. The Company, pursuant to and in terms of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, issued and allotted:

- on 28 May 2018, an aggregate of 1,00,00,000 fully paid up equity shares of face value of ₹ 2 each of the Company at an issue price of ₹ 330 (including a premium of ₹ 328) per Equity Share, to certain foreign portfolio investors, registered with the SEBI, pursuant to and in terms of shareholders' approval dated 22 May 2018; and
- on 25 June 2018, an aggregate of 70,07,076 fully paid up equity shares of face value of ₹ 2 each of the Company at an issue price of ₹ 532 (including a premium of ₹ 530) per Equity Share, to certain foreign investors, pursuant to and in terms of shareholders' approval dated 11 June 2018.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

2. The Company, pursuant to and in terms of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 and shareholders' approval dated 16 December 2017, allotted:

(a) on 28 May 2018, an aggregate of 75,00,000 equity shares; and

(b) on 25 June 2018, an aggregate of 1,00,00,000 equity shares,

at a conversion price of ₹ 132 (including a premium of ₹ 130) per equity share to certain promoter group entities of the Company, upon exercise/conversion of equivalent number of warrants.

Pursuant to the preferential allotment and conversion of warrants, the paid up share capital of the Company stands increased to ₹ 1,786.51 lakhs divided into 8,93,25,569 shares of ₹ 2 each.

(vi) 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.

(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 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.

(viii) Details of shareholder holding more than 5% share capital

Name of the equity shareholder as on 31 March 2019	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 2018	Number of shares
Jyeshta Infrastructure Private Limited	83,30,412
Kritikka Infrastructure Private Limited	85,53,576

B. Preference share capital

(i)	Authorised	Number	(₹ in lakhs)	Number	(₹ in lakhs)
	Preference shares of face value of ₹ 10 each	3,00,00,000	3,000.00	3,00,00,000	3,000.00
	Total	3,00,00,000	3,000.00	3,00,00,000	3,000.00

(ii)	Name of the preference shareholder	Number of shares	Number of shares
	Indiabulls Real Estate Limited	-	25,17,700

2,517,700, 9% Non-Convertible non-cumulative redeemable preference shares were issued as full paid with a par value of ₹ 10 (securities premium ₹ 990) during the financial year 2011-12 and were classified as financial liabilities, see note 19.

During the current financial year 2018-19, the said preference shares were redeemed at ₹ 1,000 per share.

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 17

Other Equity

Particulars	As at 31 March 2019	As at 31 March 2018
Reserves and Surplus		
General reserve	50,149.72	50,149.72
Capital reserve	942.49	942.49
Deferred employee compensation reserve	670.57	155.45
Securities Premium	98,027.86	5,359.37
Retained earnings	7,713.05	7,713.05
Share Warrant Money	4,422.00	10,197.00
Total	1,61,925.69	74,517.08

(i) Nature and purpose of other reserves

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.

Deferred employee compensation reserve

The reserve is used to recognize the expenses related to stock option issued to employees under Holding Company's employee stock option plans.

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.

General reserve

The Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders.

Share Warrant Money

The 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 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.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 18

Particulars		As at 31 March 2019	As at 31 March 2018
A.	Provisions		
	Non-current		
	Provision for employee benefits		
	Gratuity	15.97	9.30
	Compensated absences	3.46	1.86
	Total	19.43	11.16
B.	Provisions - current		
	Provision for employee benefits		
	Gratuity	0.37	0.23
	Compensated absences	0.10	0.05
	Total	0.47	0.28

NOTE – 19

Borrowings-current

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured borrowings		
Preference Shares		
9% Redeemable non -cumulative, non-convertible preference shares of face value of ₹ 10 each	-	25,177.00
Total	-	25,177.00

NOTE – 20

Trade payables-current

Particulars	As at 31 March 2019	As at 31 March 2018
Due to micro and small enterprises*	-	-
Due to others	256.20	27.75
Retention Money	-	9.14
Total	256.20	36.89

(All Amounts in ₹ Lakhs, unless otherwise stated)

*** Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):**

Particulars	As at 31 March 2019	As at 31 March 2018
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

Other financial liabilities - current

Particulars	As at 31 March 2019	As at 31 March 2018
Expenses payable to		
Related parties	-	1.41
Others	50.69	52.22
Security deposits	1.15	1.35
Unpaid dividend on equity shares*	4.88	1.48
Total	56.72	56.46

* 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 2019 and 31 March 2018.

NOTE – 22

Other current liabilities

Particulars	As at 31 March 2019	As at 31 March 2018
Payable to statutory authorities	60.17	10.85
Advance from customers	89.95	276.81
Total	150.12	287.66

NOTE – 23

Current tax liabilities, net

Particulars	As at 31 March 2019	As at 31 March 2018
Provision for income tax	524.85	158.05
Total	524.85	158.05

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 24

Revenue from operations

Particulars	For year ended 31 March 2019	For year ended 31 March 2018
Revenue from real estate project	1.58	36.20
Other operating income		
Interest income	1.10	1.06
Others	-	72.93
Total	2.68	110.19

NOTE – 25

Other income

Particulars	For year ended 31 March 2019	For year ended 31 March 2018
Dividend Income	17.82	17.82
Interest Income	1,698.80	406.16
Interest on commercial papers	33.48	-
Net gain on sale of investments	2,571.38	715.68
Income on fair valuation of financial instruments	0.52	-
Balances written-back	107.91	-
Miscellaneous income	-	4.94
Total	4,429.91	1,144.60

NOTE – 26

Cost of revenue

Particulars	31 March 2019	31 March 2018
Cost incurred during the year	-	-
(Increase)/decrease in real estate inventory		
Opening stock	30.20	61.19
Closing stock	(38.04)	(30.20)
Total	(7.84)	30.99

NOTE – 27

Employee benefits expense

Particulars	For year ended 31 March 2019	For year ended 31 March 2018
Salaries and wages	118.12	55.44
Gratuity and compensated absences	4.82	1.65
Contribution to provident fund	0.45	0.28
Staff welfare expenses	0.74	3.01
Share based payment expense (refer note 40)	515.12	155.45
Total	639.25	215.83

NOTE – 28

Finance costs

Particulars	For year ended 31 March 2019	For year ended 31 March 2018
Interest expenses on income tax	13.27	150.77
Others	0.18	-
Total	13.45	150.77

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 29

Other expenses

Particulars	For year ended 31 March 2019	For year ended 31 March 2018
Advertisement expenses	576.43	2.49
Auditor's remuneration		
Audit fee	20.00	20.00
Director sitting fees*	11.00	1.50
Bank charges	0.13	0.04
Communication expenses	13.72	7.12
Corporate social responsibility expenses	3.30	0.80
Power and fuel expenses	-	0.03
Legal and professional charges	90.69	9.72
Printing and stationery	2.38	5.07
Rates and taxes	24.99	25.56
Loss on written off of property plant and equipment	0.39	0.32
Repairs and maintenance		
Vehicles	2.40	1.79
Others	1.95	2.25
Brokerage and marketing expenses	1.76	0.82
Security expenses	4.31	1.65
Subscription fee	-	0.50
Travelling and conveyance expenses	3.21	0.10
Customer incentive and other charges	1.15	-
Miscellaneous expenses	9.76	45.32
Total	767.57	125.08

* Paid to Independent Directors

NOTE – 30

Income tax

Particulars	For year ended 31 March 2019	For year ended 31 March 2018
Tax expense comprises of:		
Current tax (including earlier years)	934.35	382.95
Less: Minimum alternative tax credit entitlement	-	(38.07)
Deferred tax (credit)/charge	(143.31)	150.36
Income tax expense reported in the statement of profit and loss	791.04	495.24

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 27.82% (31 March 2018: 27.55%) and the reported tax expense in statement of profit and loss are as follows:

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Particulars	For year ended 31 March 2019	For year ended 31 March 2018
Accounting profit before income tax	2,979.16	723.18
At statutory income tax rate of 27.82% (31 March 2018: 27.55%)	828.80	199.26
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Tax impact of exempted income	(4.96)	(121.98)
Earlier year taxes	35.44	224.90
Tax impact of expenses which will never be allowed	147.38	44.55
Deferred tax impact on income taxable at the time of its realisation	(143.31)	150.36
Tax impact on brought forward losses	(60.20)	-
Others	(12.11)	(1.85)
Income tax expense	791.04	495.24

NOTE – 31

Earning 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

Particulars	For year ended 31 March 2019	For year ended 31 March 2018
Profit attributable to equity holders	2,188.12	227.94
Weighted average number of equity shares for basic EPS	8,26,32,140	5,08,64,520
Add: Share Warrants	1,03,48,261	33,99,657
Weighted average number of equity shares adjusted for diluted EPS	9,29,80,401	5,42,64,177
Earnings per equity share of face value ₹ 2		
1. Basic (₹)	2.65	0.45
2. Diluted (₹)	2.35	0.42

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 2019	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	570.52	-	-	570.52
Total financial assets	570.52	-	-	570.52

31 March 2018	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	9,955.05	-	-	9,955.05
Total financial assets	9,955.05	-	-	9,955.05

(All Amounts in ₹ Lakhs, unless otherwise stated)

(iii) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include -

- (i) Investments in equity instruments of subsidiaries are stated at cost as per IND AS 27, separate financial statements.
- (ii) Use of net asset value for mutual funds on the basis of the statement received from investee party.
- (iii) Unit price of Bonds on the last trading day of the respective financial year on stock exchange.
- (iv) Unit price of Bonds on the last trading day of the respective financial year in secondary market.

NOTE – 33

Financial risk management

(i) Financial instruments by category

Particulars	31 March 2019			31 March 2018		
	FVTPL*	FVOCI#	Amortised cost	FVTPL*	FVOCI#	Amortised cost
Financial assets						
Investments						
Mutual funds	570.52	-	-	9,955.05	-	-
Commercial Papers	-	-	44,368.07	-	-	-
Trade receivables	-	-	70.70	-	-	179.18
Loans	-	-	45,258.96	-	-	36,858.38
Cash and cash equivalents	-	-	32.60	-	-	65.90
Security deposits	-	-	27.18	-	-	27.18
Other financial assets	-	-	13.50	-	-	43.02
Total financial assets	570.52	-	89,771.01	9,955.05	-	37,173.66

Particulars	31 March 2019			31 March 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities						
Borrowings	-	-	-	-	-	25,177.00
Trade payables	-	-	256.20	-	-	36.89
Security deposits	-	-	1.15	-	-	1.35
Other financial liabilities	-	-	55.57	-	-	55.11
Total financial liabilities	-	-	312.92	-	-	25,270.35

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 represent 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.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

A. Credit risk

Credit risk is the risk that 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, security deposits, investments(current) and other financial assets	12 month expected credit loss/ Life time expected credit loss

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 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.

Assets under credit risk –

Credit rating	Particulars	31 March 2019	31 March 2018
A: Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, loans, security deposits, investments (current) and other financial assets	90,341.53	47,128.71

(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 represent 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 2019

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investments	1,18,625.34	-	1,18,625.34
Trade Receivables	70.70	-	70.70
Cash and cash equivalents	32.60	-	32.60
Loans	45,258.96	-	45,258.96
Security deposit	27.18	-	27.18
Other financial assets	13.50	-	13.50

(All Amounts in ₹ Lakhs, unless otherwise stated)

As at 31 March 2018

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investments	62,481.80	-	62,481.80
Trade Receivables	179.18	-	179.18
Cash and cash equivalents	65.90	-	65.90
Loans	36,858.38	-	36,858.38
Security deposit	27.18	-	27.18
Other financial assets	43.02	-	43.02

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.

31 March 2019	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Non-derivatives					
Borrowings	-	-	-	-	-
Trade payables	256.20	-	-	-	256.20
Other financial liabilities	56.72	-	-	-	56.72
Total	312.92	-	-	-	312.92

31 March 2018	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Non-derivatives					
Borrowings	25,177.00	-	-	-	25,177.00
Trade payables	36.89	-	-	-	36.89
Other financial liabilities	56.46	-	-	-	56.46
Total	25,270.35	-	-	-	25,270.35

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.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars	31 March 2019	31 March 2018
Fixed rate borrowing	-	25,177.00
Total borrowing	-	25,177.00

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 34

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

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Current assets	1,11,016.23	67,611.98
Current liabilities	988.36	25,716.34
Current ratio	112.32	2.63

NOTE – 35

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 2019	Proportion of ownership interest as at 31 March 2018
SORIL Infra Resources Limited (Formerly known as Store One Retail India Limited)	India	64.71%	73.85%
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%	73.85%
Airmid Aviation Services Limited	India	100%	100%
Indiabulls Enterprises Limited*	India	100%	NA
Indiabulls Pharmacare Limited**	India	100%	NA
Indiabulls Rural Finance Private Limited (Formerly known as Littleman Fiscal Services Private Limited)***	India	64.71%	NA

* incorporated on 02 January 2019

** incorporated on 17 January 2019

*** acquired on 23 January 2019

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 36

Related party transactions

Subsidiaries

Details in reference to subsidiaries are presented in Note – 35

Key management personnel

Mr. Surinder Singh Kadyan (Whole Time Director of the Company till 08 December 2017)

Mr. M.S. Walia (Whole Time Director of the Company from 08 December 2017)

Summary of transactions with related parties

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Loans and advances (given)/received back, net		
Subsidiary Companies:		
Lucina Infrastructure Limited	2,028.45	(0.25)
Airmid Aviation Services Limited	6,659.97	59.00
Sentia Properties Limited	(5,257.00)	4,354.50
Mahabala Infracon Private Limited	-	1,007.50
Albasta Wholesale Services Limited	(11,258.00)	-
Ashva Stud and Agricultural Farms Limited	(574.00)	-
Interest Income received on Loans and advances		
Subsidiary Companies:		
Lucina Infrastructure Limited	-	14.32
Airmid Aviation Services Limited	-	92.42
Sentia Properties Limited	-	298.11
Investment in equity shares		
Subsidiary Companies:		
Indiabulls Life Insurance Company Limited	20,000.00	11,000.00
Indiabulls General Insurance Limited	-	100.00
Indiabulls Enterprises Limited	10.00	-
Lucina Infrastructure Limited	850.00	-
Mahabala Infracon Private Limited	300.00	-
Dividend Income		
Subsidiary Companies:		
SORIL Infra Resources Limited	17.82	17.82
Albasta Wholesale Services Limited	0.003	0.003
Purchase of property, plant and equipment*		
Subsidiary Company:		
SORIL Infra Resources Limited	-	123.04
Sale of property, plant and equipment*		
Subsidiary Company:		
SORIL Infra Resources Limited	-	118.91
Reimbursement of expenses*		
Subsidiary Companies		
Indiabulls Life Insurance Company Limited	25.61	65.16
Indiabulls General Insurance Limited	12.50	23.94
SORIL Infra Resources Limited	-	3.46

*Excluding taxes

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

Statement of maximum balance outstanding at any time during the year (₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Loans and advances given		
Subsidiary Companies:		
Lucina Infrastructure Limited	32,071.5	2,028.45
Airmid Aviation Services Limited	7,659.97	6,718.97
Sentia Properties Limited	36,336.76	32,524.96
Albasta Wholesale Services Limited	23,767.00	-
Mahabala Infracon Private Limited	15,981.00	1,670.96
Ashva Stud and Agricultural Farms Limited	30,545.80	-

Statement of balance outstanding (₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Loans and advances given		
Subsidiary Companies:		
Lucina Infrastructure Limited	-	2,028.45
Airmid Aviation Services Limited	-	6,659.97
Sentia Properties Limited	33,426.96	28,169.96
Albasta Wholesale Services Limited	11,258.00	-
Ashva Stud and Agricultural Farms Limited	574.00	-
Other receivables		
Subsidiary Company:		
Indiabulls Life Insurance Company Limited	-	42.99
Indiabulls General Insurance Limited	12.50	-
Corporate Guarantees Given		
Subsidiary Company:		
SORIL Infra Resources Limited	6,599.03	4,295.87
Airmid Aviation Services Limited	24,357.60	24,639.26

NOTE – 37

Contingent Liabilities and Commitment

A. Summary of contingent liabilities

Contingent liabilities, not acknowledged as debt, include:

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Income tax matters for assessment year 2010-11 in respect of the which appeals have been filed*	24.84	24.84
Income tax matters for assessment year 2014-15 in respect of the which appeals have been filed	48.49	48.49

* The company 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.

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 2019 is ₹ 6,599.03 lakhs (31 March 2018: ₹ 4,295.87 lakhs).

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 2019 is ₹ 24,357.60 lakhs (31-March-2018 ₹ 24,639.26 lakhs).

(All Amounts in ₹ lakhs, unless otherwise stated)

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

There are no commitments to be reported as on 31 March 2019 and 31 March 2018.

NOTE – 38

Employee benefits

Defined contribution plan

The company has made ₹ 0.44 lakhs (31 March 2018 ₹ 0.28 lakhs) 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 ₹ 0.10 lakhs (31 March 2018 - ₹ 0.05 lakhs) 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 17.84 years (31 March 2018: 16.58 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 17.84 years (31 March 2018: 16.58 years).

Actuarial (gain)/loss on obligation:

(₹ in lakhs)

Particulars	Gratuity		Compensated absence	
	For the year ended		For the year ended	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Actuarial (gain)/loss on arising from change in demographic assumption	Nil	Nil	Nil	Nil
Actuarial (gain)/loss on arising from change in financial assumption	0.94	(0.19)	0.26	(0.05)
Actuarial (gain)/loss on arising from change in experience adjustment	4.48	1.20	0.30	(0.77)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

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

(₹ in lakhs)

Particulars	Gratuity		Compensated absence	
	For the year ended		For the year ended	
	31 March 2019	31 March 2018	31 March 2018	31 March 2018
Service cost	2.42	1.39	0.94	0.42
Net interest cost	0.76	0.50	0.15	0.16
Actuarial (gain)/loss for the year	5.42	1.01	0.56	(0.82)
Expenses recognized/(reversed) in the statement of profit and loss	8.60	2.90	1.65	(0.24)

Movement in the liability recognized in the balance sheet is as under:

(₹ in lakhs)

Particulars	Gratuity		Compensated absence	
	As at		As at	
	31 March 2018	31 March 2018	31 March 2018	31 March 2018
Present value of defined benefit obligation at the beginning of the year	9.53	6.62	1.91	2.15
Current Service Cost	2.42	1.39	0.94	0.42
Interest Cost	0.76	0.50	0.15	0.16
Actuarial (gain)/loss on obligation	5.42	1.01	0.56	(0.82)
Benefits paid	(1.78)	-	-	-
Present value of defined benefit obligation at the end of the year	16.34	9.53	3.56	1.91

Bifurcation of projected benefit obligation at the end of the year in current and non-current:

(₹ in lakhs)

Particulars	Gratuity		Compensated absence	
	As at		As at	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
(a) Current liability (amount due within one year)	0.37	0.23	0.10	0.05
(b) Non - current liability (amount due over one year)	15.97	9.30	3.46	1.86
Total projected benefit obligation at the end of the year	16.34	9.53	3.56	1.91

For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	Gratuity		Compensated absence	
	As at		As at	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Discount rate	7.71%	7.93%	7.71%	7.93%
Salary escalation rate	5.50%	5.25%	5.50%	5.25%
Mortality table	IALM (2006 - 08)	IALM (2006 - 08)	IALM (2006 - 08)	IALM (2006 - 08)

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.

(All Amounts in ₹ lakhs, unless otherwise stated)

Maturity plan of defined benefit obligation

(₹ in lakhs)

Year		31 March 2019		Year	31 March 2018	
		Gratuity	Compensated absence		Gratuity	Compensated absence
(a)	April 2019 – March 2020	0.38	0.10	April 2018 – March 2019	0.22	0.05
(b)	April 2020 – March 2021	0.27	0.28	April 2019 – March 2020	0.17	0.04
(c)	Aprils 2021 – March 2022	2.05	0.07	April 2020 – March 2021	1.54	0.17
(d)	April 2022 – March 2023	0.26	0.06	April 2021 – March 2022	0.15	0.03
(e)	April 2023 – March 2024	0.26	0.06	April 2022 – March 2023	0.15	0.03
(f)	April 2024 – March 2025	0.27	0.06	April 2023 – March 2024	0.15	0.03
(g)	April 2025 onwards	12.85	2.92	April 2024 onwards	7.15	1.55

Sensitivity analysis of the defined benefit obligation

(₹ in lakhs)

Particulars	31 March 2019		31 March 2018	
	Gratuity	Compensated absence	Gratuity	Compensated absence
Impact of the change in discount rate				
Present value of obligation at the end of the year	16.34	3.56	9.53	1.91
(a) Impact due to increase of 0.50 %	(1.02)	(0.27)	(0.54)	(0.13)
(b) Impact due to decrease of 0.50 %	1.13	0.30	0.59	0.14
Impact of the change in salary increase				
Present value of obligation at the end of the year	16.34	3.56	9.53	1.91
(a) Impact due to increase of 0.50 %	1.15	0.30	0.61	0.15
(b) Impact due to decrease of 0.50 %	(1.04)	(0.27)	(0.55)	(0.13)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

NOTE – 39

Corporate social responsibility expenses

(a) Gross amount required to be spent by the company during the year: ₹ 3.30 lakhs (31 March 2018: ₹ 0.80 lakhs).

(b) Amount spent during the year on:

(₹ in lakhs)

Sr. No.	Particulars	Year	Paid in cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	31 March 2019	-	-	-
		31 March 2018	-	-	-
(ii)	On purposes other than (i) above	31 March 2019	3.30	-	3.30
		31 March 2018	0.80	-	0.80

NOTE – 40

Share-based payments

Indiabulls Integrated Services Limited Employees Stock Options Scheme – 2011

The Company established the Indiabulls Integrated Services Limited Employees Stock Options Scheme - 2011 ("IBISL 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 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.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

The previous title of the Scheme, viz. Soril Holdings and Ventures Limited Employee Stock Option Scheme -2011 (SHVL ESOS), stands changed to Indiabulls Integrated Services Limited Employee Stock Option Scheme – 2011 (IBISL ESOS) in line with the revised certificate of incorporation dated 16 May, 2018.

Following is a summary of options granted under the plan:

Particulars	31 March 2019	31 March 2018
Opening balance	45,66,600	-
Granted during the year	-	45,66,600
Exercised during the year	-	-
Forfeited during the year	-	-
Closing balance	45,66,600	45,66,600
Vested and exercisable	9,13,320	-

Weighted average share exercised price during the year ended 31 March 2019: ₹ Nil (31 March 2018: ₹ Nil)

Particulars	IBISL 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.

During the financial year 2018-19, the Company further 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 09 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 2019	31 March 2018
Opening balance	-	-
Granted during the year	10,00,000	-
Exercised during the year	-	-
Forfeited during the year	-	-
Closing balance	10,00,000	-
Vested and exercisable	-	-

Weighted average share exercised price during the year ended 31 March 2019: ₹ Nil (31 March 2018: ₹ Nil).

Particulars	IBISL 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%

(All Amounts in ₹ lakhs, unless otherwise stated)

The expected volatility was determined based on historical volatility data of the Company's shares listed on the recognized Stock Exchange.

The total expense of share based payments recognized during the year ended 31 March 2019 is ₹ 515.12 lakhs (31 March 2018: ₹ 155.45 lakhs).

NOTE – 41

Segment reporting

The Company's primary business segment is reflected based on principal business activities carried on by the Company i.e. purchase, sale, real estate project advisory, construction and development of real estate projects and all other related activities which as per Ind AS 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company derives its major revenues from real estate project advisory business. The Company is operating in India which is considered as a single geographical segment.

Note – 42

Revenue related disclosures

A Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Revenue from contracts with customers		
(i) Revenue from operations		
Revenue from sale of properties and developed plots	1.58	36.20
(ii) Other operating income	1.10	73.99
Total revenue covered under Ind AS 115	2.68	110.19

B Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	As at 31 March 2019	As at 31 March 2018
Contract assets		
Unbilled revenue	-	0.81
Total contract assets	-	0.81
Contract liabilities		
Advance from customers	89.95	276.81
Total contract liabilities	89.95	276.81
Receivables		
Trade receivables	70.70	179.18
Total receivables	70.70	179.18

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

C Significant changes in the contract liabilities balances during the year are as follows:

Particulars	As at 31 March 2019	As at 31 March 2018
	Contract liabilities	Contract liabilities
	Advances from customers	Advances from customers
Opening balance	179.18	113.03
Addition/ (Utilisation) during the year	(110.06)	29.95
Revenue recognised during the year	1.58	36.20
Closing balance	70.70	179.18

D There are no unsatisfied performance obligations as at 31 March 2019 against the advance received from the customers, as the billing for the same has been done by the Company as on 31 March 2019.

E Reconciliation of revenue recognised with contract revenue:

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Contract revenue	1.58	36.20
Revenue recognised	1.58	36.20

F Ind AS 115 'Revenue from Contracts with Customers', mandatory for reporting periods beginning on or after 1 April 2018, replaces existing revenue recognition requirements. Since the Company's real estate projects were completed before 01 April 2018, hence the application of Ind AS 115 has not impacted the Company's accounting for recognition of revenue from real estate properties. The Company has applied prospective approach in adopting the new standard and accordingly the restatement of the previous period numbers basis completion of contract for all the real estate projects across India is not applicable.

NOTE – 43

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: (₹ in lakhs)

Particulars	Current borrowings
Net debt as at 31 March 2018	25,177.00
Fair valuation impact	-
Proceeds from current borrowings	-
Repayment of current borrowings	25,177.00
Net debt as at 31 March 2019	-

NOTE – 44

To segregate the insurance and non-insurance business of the Group Companies of Indiabulls Integrated Services Limited ("the Holding Company"), an application has been filed for obtaining approval under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the composite draft scheme of amalgamation and arrangement amongst the Holding 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 under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, as amended.

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 45

Pursuant to recent judgement by the Hon'ble Supreme Court of India dated 28 February 2019, it was held that basic wages, for the purpose of provident fund, to include allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies and accordingly, the Group has not provided for any liability on account of this.

NOTE – 46

A search was conducted by the competent authority under section 132(1) of the Income Tax Act, 1961 ('the Act') at premises of the Company in the financial year ended 31 March 2017. Consequently, in order to avoid protracted tax litigation, the Company filed an application under Section 245C (1) of the Act before the Hon'ble Income Tax Settlement Commission ('ITSC') in October 2017 and deposited taxes thereon. As on March 31, 2019, the matter was pending before the Hon'ble ITSC for final determination.

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 2019 and 31 March 2018.
- (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 2019, 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.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number: 005975N

Vikas Aggarwal

Partner

Membership Number: 097848

Place: Gurugram

Date: 23 April 2019

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

Priya Jain

Company Secretary

Ajit Kumar Mittal

Director

[DIN: 02698115]

Saurabh Garg

Chief Financial Officer

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019 (contd.)

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 (All Amounts in ₹ Lakhs, unless otherwise stated)

S. No.	Name of the Subsidiary	Date since when the Subsidiary was acquired/ incorporated	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	2018-19	INR	15,000.00	16,776.43	131.98	195.62	31,840.08	889.15	847.03	129.49	717.54	-	100%
2	Indiabulls General Insurance Limited	24 January 2018	2018-19	INR	100.00	(36.22)	14.17	14.86	64.47	4.64	(10.35)	0.02	(10.36)	-	100%
3	Airmid Aviation Services Limited	23 December 2014	2018-19	INR	1,000.00	(14,435.68)	11,968.84	25,555.71	151.18	2,323.80	(5,108.68)	478.33	(5,587.00)	-	100%
4	Ashva Stud And Agricultural Farms Limited	07 December 2015	2018-19	INR	5.00	3,015.23	4,299.57	1,279.34	-	3,603.66	3,601.80	585.36	3,016.44	-	100%
5	Albasta Wholesale Services Limited	30 June 2011	2018-19	INR	10,005.00	(426.64)	1,610.64	27,479.04	35,446.76	2,910.08	2,510.75	369.93	2,140.82	-	100%
6	Lucina Infrastructure Limited	01 January 2010	2018-19	INR	855.00	913.41	1,526.91	314.01	555.51	2,011.84	1,942.23	255.45	1,686.78	-	100%
7	Mahabala Infracon Private Limited	11 December 2014	2018-19	INR	305.00	2,107.25	2,271.57	550.95	691.63	2,841.39	2,772.40	446.86	2,325.54	-	100%
8	Sentia Properties Limited	01 January 2010	2018-19	INR	5.00	(3,410.23)	30,021.85	33,427.08	-	81.67	11.37	-	11.37	-	100%
9	SORIL Infra Resources Limited (Formerly known as Store One Retail India Limited)	10 April 2008	2018-19	INR	3,150.00	19,845.10	42,420.63	39,833.74	20,408.21	16,842.81	1,505.68	4.66	1,501.02	-	64.71%
10	Store One Infra Resources Limited	15 November 2015	2018-19	INR	155.00	(83.08)	106.29	34.36	-	192.48	11.47	-	11.47	-	64.71%
11	Indiabulls Rural Finance Limited (Formerly known as Littleman Fiscal Services Private Limited)	25 January 2019	2018-19	INR	4,179.74	7,416.45	14,215.80	3,324.61	705.00	20.84	(146.01)	(28.75)	(117.26)	-	64.71%
12	Indiabulls Enterprises Limited	02 January 2019	2018-19	INR	10.00	(0.71)	4.58	0.30	5.00	-	(0.71)	-	(0.71)	-	100%
13	Indiabulls Pharmicare Limited	17 January 2019	2018-19	INR	5.00	(0.32)	4.97	0.30	-	-	(0.32)	-	(0.32)	-	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

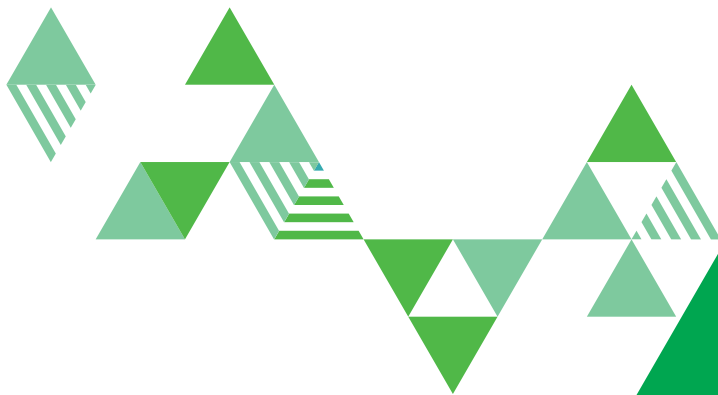
Name of Associates or Joint Ventures	Latest audited Balance Sheet Date	Date on which the Associate or Joint Venture was associated or acquired	Shares of Associate or Joint Ventures held by the company on the year end	Amount of Investment in Associates or Joint Venture	Extent of Holding (in percentage)	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

Manvinder Singh Walia
Whole Time Director
[DIN: 07988213]
Priya Jain
Company Secretary

Ajit Kumar Mittal
Director
[DIN: 02698115]
Saurabh Garg
Chief Financial Officer

Place: Gurugram
Date: 23 April 2019



Indiabulls
INTEGRATED SERVICES

INDIABULLS INTEGRATED SERVICES LIMITED
(formerly SORIL Holdings and Ventures Limited)

Registered Office

Indiabulls House,
Plot No. 448-451, Udyog Vihar,
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Corporate Office

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