

# Indiabulls

## HOUSING FINANCE

August 14, 2017

**Scrip Code: 535789**

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
MUMBAI - 400 001

**IBULHSGFIN/EQ**

**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 shareholder of the Company, along with Annual Report for the financial year 2016-17.**

Dear Sirs,

In continuation to our letter dated August 10, 2017, Notice for convening Twelfth Annual General Meeting of shareholders of the Company, scheduled to be held on Friday, September 8, 2017 at 10:00 A.M. at Mapple Emerald, Rajokri, NH-8, New Delhi -110038, along with the Annual Report for the financial year 2016-17, are attached for information and records.

Thanking you,

Yours truly,

For Indiabulls Housing Finance Limited

*Amit Jain*

**Amit Jain**  
Company Secretary



CC:

Luxembourg Stock Exchange, Luxembourg  
Singapore Exchange Securities Trading Limited, Singapore



**INDIABULLS HOUSING FINANCE LIMITED**

CIN: L65922DL2005PLC136029

**Registered Office:** M-62 & 63, First Floor, Connaught Place, New Delhi - 110 001

Email: homeloans@indiabulls.com, Tel: 0124-6681199, Fax: 0124-6681240,

Website: www.indiabullshomeloans.com

**NOTICE**

NOTICE is hereby given that the TWELFTH ANNUAL GENERAL MEETING of the members of **INDIABULLS HOUSING FINANCE LIMITED** will be held on Friday, the 8<sup>th</sup> day of September, 2017 at 10:00 A.M. at **Mapple Emerald, Rajokri, NH-8, New Delhi-110038**, 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, 2017, and the Reports of the Board of Directors and Auditors thereon.
2. To confirm the payment of interim dividends, declared on equity shares of the Company, for the financial year 2016-17.
3. To appoint a Director in place of Mr. Ajit Kumar Mittal (DIN: 02698115), a Whole Time Director & Key Managerial Personnel, designated as an Executive Director, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Ashwini Omprakash Kumar (DIN: 03341114), a Whole Time Director & Key Managerial Personnel, designated as Deputy Managing Director, who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Registration No.: 301003E/E300005), be and is hereby appointed as the Statutory Auditors of the Company, in place of M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Regn. No. 117366W/W-100018), the retiring Statutory Auditors, to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of seventeenth Annual General Meeting of the Company, subject to ratification of their appointment by the Members at every intervening Annual General Meeting held after this Annual General Meeting, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors.”

**SPECIAL BUSINESS:**

**Item No. 6:**

**To consider and if thought fit, to pass the following resolution, as a Special Resolution, for increase in borrowing powers of the Company:**

**“RESOLVED THAT** in supersession of the resolution passed at the 11<sup>th</sup> Annual General Meeting of the Company held on September 8, 2016, authorizing the Company to borrow monies upto an aggregate of ₹ 1,25,000 Crore, consent of the members of the Company be and is hereby accorded under the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules framed thereunder, as may be amended from time to time, 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) for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained by the Company’s bankers in its ordinary course of business), may exceed the aggregate of its paid-up capital and free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 145,000 Crore.

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

**Item No. 7:**

**To consider and if thought fit to pass the following resolution as a Special Resolution, for issue of Non-Convertible Debentures and/or other hybrid instruments, 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, the Housing Finance Companies Issuance of Non-Convertible Debentures on a Private Placement Basis (NHB) Directions, 2014, 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 and/or any other hybrid instruments (not in the nature of equity shares), which can be classified as being Tier II capital under the provisions of the Housing Finance Companies (NHB) Directions 2010, 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 / any other hybrid instruments shall be within the shareholders’ existing authorization of upto ₹ 125,000 Crore.

**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.”

**Item No. 8:**

**To consider and if thought fit to pass the following resolution as a Special Resolution, for amendment in the Articles of Association of the Company:**

**“RESOLVED** that pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) read with the Rules framed thereunder, as may be amended from time to time, consent of the members of the Company be and is hereby accorded to amend the Articles of Association of the Company by inserting the following new article as ‘Article 67A’ after Article no. 67’:

“Article 67A: The Company may carry out consolidation and re-issuance of its debt securities, pursuant to and in terms of the provisions of Regulation 20A of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as may be amended, from time to time.

**Item No. 9:**

**To consider and if thought fit to pass the following resolution as an Ordinary Resolution, for the re-appointment of Mr. Sameer Gehlaut (DIN: 00060783) as a Whole-time Director & Key Managerial Personnel, designated as Executive Chairman of the Company, for a further period of five years, with effect from March 19, 2018:**

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 203 and other applicable provisions of the Companies Act, 2013, read with the applicable rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), Articles of Association of the Company, consent of the members, be and is hereby accorded to the re-appointment of Mr. Sameer Gehlaut (DIN: 00060783) as a Whole-Time Director and Key Managerial Personnel, designated as Executive Chairman of the Company, for a further period of five years, w.e.f. March 19, 2018.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013, read with the applicable rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), Articles of Association of the Company, Mr. Sameer Gehlaut, Executive Chairman of the Company, who has opted not to seek any increase in remuneration payable to him during the current financial year, shall be paid a remuneration, subject to an upward revision of upto 15% on annual basis, during his tenure of five years, w.e.f. March 19, 2018, as set out in the explanatory statement pursuant to Section 102 of the Companies Act, 2013, annexed to this Notice, subject however that the remuneration to be paid shall be as recommended by the Nomination & Remuneration Committee and approved by the Board, from time to time during his said tenure, which shall be within the overall ceiling of remuneration prescribed in the Act read with Schedule V and applicable Rules thereto, as amended from time to time.

**Item No. 10:**

**To consider and if thought fit to pass the following resolution as an Ordinary Resolution, for the re-appointment of Mr. Gagan Banga (DIN: 00010894) as a Whole-Time Director & Key Managerial Personnel, designated as Vice-Chairman, Managing Director & CEO of the Company, for a further period of five years, with effect from March 19, 2018:**

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 203 and other applicable provisions of the Companies Act, 2013, read with the applicable rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), Articles of Association of the Company, consent of the members, be and is hereby accorded to the re-appointment of Mr. Gagan Banga (DIN: 00010894) as a Whole-Time Director and Key Managerial Personnel, designated as Vice-Chairman, Managing Director & CEO of the Company, for a further period of five years, w.e.f. March 19, 2018.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013, read with the applicable rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), Articles of Association of the Company, Mr. Gagan Banga, during his tenure of five years, w.e.f. March 19, 2018, as Vice-Chairman, Managing Director & CEO of the Company, shall be paid a remuneration, subject to an upward revision of upto 15% on annual basis, as set out in the explanatory statement pursuant to Section 102 of the Companies Act, 2013, annexed to this Notice, subject however that the remuneration to be paid shall be as recommended by the Nomination & Remuneration Committee and approved by the Board, from time to time during his said tenure, which shall be within the overall ceiling of remuneration prescribed in the Act read with Schedule V and applicable Rules thereto, as amended from time to time.

**Item No. 11:**

**To consider and if thought fit to pass the following resolution as an Ordinary Resolution, for the re-appointment of Mr. Ajit Kumar Mittal (DIN: 02698115) as a Whole-Time Director & Key Managerial Personnel and designated as Executive Director of the Company, for a further period of five years, with effect from March 19, 2018:**

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 203 and other applicable provisions of the Companies Act, 2013, read with the applicable rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), Articles of Association of the Company, consent of the members, be and is hereby accorded to the re-appointment of Mr. Ajit Kumar Mittal (DIN: 02698115) as a Whole-Time Director and Key Managerial Personnel, designated as Executive Director of the Company, for a further period of five years, w.e.f. March 19, 2018.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013, read with the applicable rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), Articles of Association of the Company, Mr. Ajit Kumar Mittal, during his tenure of five years, w.e.f. March 19, 2018, as an Executive Director of the Company, shall be paid a remuneration, subject to an upward revision of upto 15% on annual basis, as set out in the explanatory statement pursuant to Section 102 of the Companies Act, 2013, annexed to this Notice, subject however that the remuneration to be paid shall be as recommended by the Nomination & Remuneration Committee and approved by the Board, from time to time during his said tenure, which shall be within the overall ceiling of remuneration prescribed in the Act read with Schedule V and applicable Rules thereto, as amended from time to time.

**Item No. 12:**

**To consider and if thought fit to pass the following resolution as an Ordinary Resolution, for the re-appointment of Mr. Ashwini Omprakash Kumar (DIN: 03341114) as a Whole-Time Director & Key Managerial Personnel, designated as Deputy Managing Director of the Company, for a further period of five years, with effect from March 19, 2018:**

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 203 and other applicable provisions of the Companies Act, 2013, read with the applicable rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), Articles of Association of the Company, consent of the members, be and is hereby accorded to the re-appointment of Mr. Ashwini Omprakash Kumar (DIN: 03341114) as a Whole-Time Director and Key Managerial Personnel, designated as Deputy Managing Director of the Company, for a further period of five years, w.e.f. March 19, 2018.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013, read with the applicable rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), Articles of Association of the Company, Mr. Ashwini Omprakash Kumar, during his tenure of five years, w.e.f. March 19, 2018, as Deputy Managing Director of the Company, shall be paid a remuneration, subject to an upward revision of upto 15% on annual basis, as set out in the explanatory statement pursuant to Section 102 of the Companies Act, 2013, annexed to this Notice, subject however that the remuneration to be paid shall be as recommended by the Nomination & Remuneration Committee and approved by the Board, from time to time during his said tenure, which shall be within the overall ceiling of remuneration prescribed in the Act read with Schedule V and applicable Rules thereto, as amended from time to time.

**Item No. 13:**

**To consider and if thought fit to pass the following resolution as an Ordinary Resolution, for the appointment of Mr. Sachin Chaudhary (DIN: 02016992) as a Whole-time Director & Key Managerial Personnel, designated as Executive Director of the Company, for a period of five years, with effect from October 21, 2016:**

**“RESOLVED THAT** pursuant to the provisions of Section 160 of the Companies Act, 2013 read with the applicable rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), Articles of Association of the Company, Mr. Sachin Chaudhary (DIN: 02016992), be and is hereby appointed, as a director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 203 and other applicable provisions of the Companies Act, 2013, read with the applicable rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), Articles of Association of the Company, consent of the members, be and is hereby accorded to the appointment of Mr. Sachin Chaudhary (DIN: 02016992) as a Whole-Time Director and Key Managerial Personnel, designated as Executive Director of the Company, for a period of five years, w.e.f. October 21, 2016.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013, read with the applicable rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), Articles of Association of the Company Mr. Sachin Chaudhary, during his tenure of five years, w.e.f. October 21, 2016, as an Executive Director of the Company, shall be paid a remuneration, as set out in the explanatory statement pursuant to Section 102 of the Companies Act, 2013, annexed to this Notice, subject however that the remuneration to be paid shall be as recommended by the Nomination & Remuneration Committee and approved by the Board, from time to time during his said tenure, which shall be within the overall ceiling of remuneration prescribed in the Act read with Schedule V and applicable Rules thereto, as amended from time to time.

By Order of the Board of Directors  
For **Indiabulls Housing Finance Limited**

Place: New Delhi  
Date: August 10, 2017

Sd/-  
**Amit Jain**  
Company Secretary  
FCS:5433



## NOTES:

- (a) The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, September 4, 2017 to Friday, September 8, 2017 (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 under Item No. 6 to 13 of the accompanying Notice, is annexed hereto.
- (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 or at Corporate 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) In accordance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s Deloitte Haskins & Sells LLP, Chartered Accountants, Statutory Auditors of the Company shall retire at the conclusion of this Annual General Meeting of the Company. Pursuant to the applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Board of Directors has, on the recommendation of the Audit Committee, recommended for the appointment of M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Registration No.: 301003E/E300005) as the Statutory Auditors of the Company, at the Annual General Meeting for a period of five years i.e. to hold office from the conclusion of this Annual General Meeting till the conclusion of the seventeenth Annual General Meeting of the Company, subject to ratification of their appointment by the Members at every intervening Annual General Meeting held after this Annual General Meeting, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors. Consent and certificate u/s 139 of the Companies Act, 2013 have been furnished by M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, to the effect that their appointment, if made, shall be in accordance with the applicable provisions of the Act and the Rules issued thereunder. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.
- (e) 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 Transfer Agent.
- (f) In terms of latest MCA regulations, which has come into force on February 28, 2017 read with MCA's notification dated May 29, 2017, all shares of the Company, in respect of which dividend has not been paid or claimed by any of the Shareholders of the Company, for seven consecutive years or more falling during the period September 7, 2016 till May 31, 2017, shall be transferred to the Investor Education and Protection Fund (IEPF), maintained by SEBI. The modalities for transfer/transmittal of shares from the Companies to the demat account of IEPF along with the due date of such transfer of shares have not yet been notified.
- (g) Electronic copy of the Notice of 12<sup>th</sup> Annual General Meeting (AGM) of the Company and the Annual Report for FY 2016-17 is 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 appeared in the Register of Members as on August 4, 2017, and to Directors and the Auditors of the Company. Members may note that said Notice and the Annual Report for FY 2016-17 is also posted on the website of the Company <http://www.indiabullshomeloans.com/>.
- (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, (LODR Regulations) 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 Computershare 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.
- IV. The remote e-voting period commences on Tuesday, September 5, 2017 at 10:00 A.M. and ends on Thursday, September 7, 2017 at 5.00 P.M. 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, Friday, September 1, 2017, may cast their vote by remote e-voting in the manner and process set out herein below. The remote e-voting module shall be disabled by Karvy for voting thereafter. 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 visit Help & FAQ's section of <https://evoting.karvy.com>. (Karvy's website).
- 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, Friday, September 1, 2017.
- VII. The Company has appointed Mr. Raj Kumar Singh (Membership No 504971) of M/s. Shiv Raj Sohan & Company, Practicing Chartered Accountant, as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
- VIII. The process and manner for remote e-voting are as under:
- Open your web browser during the voting period and navigate to '<https://evoting.karvy.com>'
  - 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	For Members holding shares in Demat Form:- a) For NSDL:- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL:- 16 digits beneficiary ID For Members holding shares in Physical Form:- • 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.

- Please contact on toll free No. 1-800-34-54-001 for any further clarifications.
- Members can cast their vote online from Tuesday, September 5, 2017 at 10:00 A.M. to Thursday, September 7, 2017 till 5:00 P.M.
- After entering these details appropriately, click on "LOGIN".
- 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 Computershare 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.
- You need to login again with the new credentials.
- On successful login, system will prompt to select the 'Event' i.e. 'Company Name'.
- 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.
- 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'.
- 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.
- Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- Corporate/Institutional Members (corporate /Fls/Flls/Trust/Mutual Funds/Banks, etc.) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to [rajurajca@gmail.com](mailto:rajurajca@gmail.com) with copy to [evoting@karvy.com](mailto: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 August 4, 2017 (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. September 1, 2017, they may write to Karvy on the email Id: [evoting@karvy.com](mailto:evoting@karvy.com) or to Ms. C Shobha Anand, Deputy General Manager, Contact No. 040-67162222, at [Unit: Indiabulls Real Estate Limited] Karvy Computershare 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 make, not later than three days of the conclusion of the Meeting, a consolidated Scrutinizer's 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 Scrutinizer's Report, shall declare the results of the voting forthwith and the results declared along with the Scrutinizer's Report shall be placed on the Company's website <http://www.indiabullshomeloans.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 and at Corporate Office of the Company at Gurugram, during normal business hours (9:30 a.m. to 5:30 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 SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) sets out all material facts relating to the business mentioned at Item Nos. 6 to 13 of the accompanying Notice dated August 10, 2017.

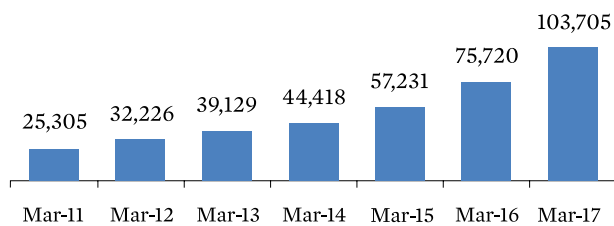
**Item No. 6: Special Resolution, for increase in borrowing powers of the Company to ₹ 145,000 Crores from the existing ₹ 125,000 Crores**

The Company is registered as a Housing Finance Company(HFC) and is in the business of extending loans. Being a non-deposit accepting HFC, the Company relies on borrowings to fund its lending business. The top-line (net) revenue is the Net Interest Income (NII) and is driven by the spread on the Company’s loan book – spread is the difference between the rate at which loans are extended by the Company and rate at which the Company borrows monies. Thereafter, the profit of the Company is arrived at by adding to the NII other relatively smaller revenue items like processing fees and other fees, and after netting off operating expenses and credit costs. Profit growth is driven by NII growth, which in turn is derived from continuous book growth. Thus, the Company and its profits grow through growth in loan book. Borrowings fund loan book growth and thus borrowings have to grow for the Company and profits to grow. An inability to enhance the borrowing limit would impede the Company’s growth.

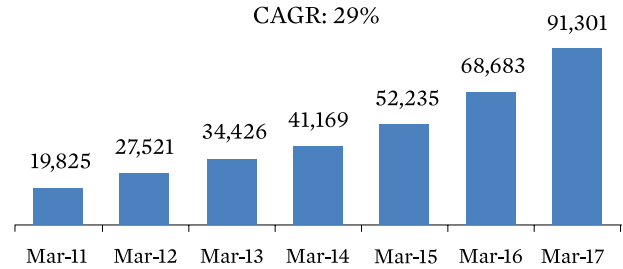
Over the past six years, the Company has clocked steady growth. The balance sheet size which stood at ₹ 1,03,705 Cr. as on March 31, 2017 has grown at a six-year CAGR of 27% from ₹ 25,305 Cr at the end of FY2010-11. Similarly, loan assets have grown at a six-year CAGR of 29% and stood at ₹ 91,301 Cr on March 31,2017 up from ₹ 19,825 Cr at the end of FY2010-11.

**Growth in Balance Sheet Size and Loan Assets**
**Balance Sheet Size**

CAGR: 27%


**Loan Assets**

CAGR: 29%

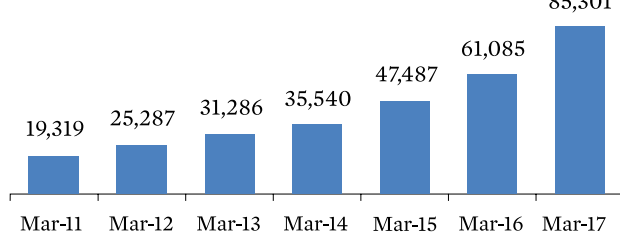


Amounts in ₹ Crores

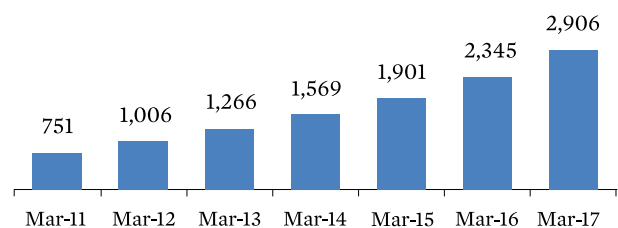
Loan asset growth has been funded by borrowings which stood at ₹ 85,301 Cr as on March 31, 2017 growing at a six-year CAGR of 28% from ₹ 19,319 Cr at the end of FY2010-11. Expanding loan book has in turn led to steady growth in profits: profit for FY2016-17 stood at ₹ 2,906 Cr and has grown at a six-year CAGR of 25% from ₹ 751 Cr in FY2010-11.

**Growth in Borrowings and Profit After Tax**
**Borrowings**

CAGR: 28%


**Profit After Tax**

CAGR: 25%



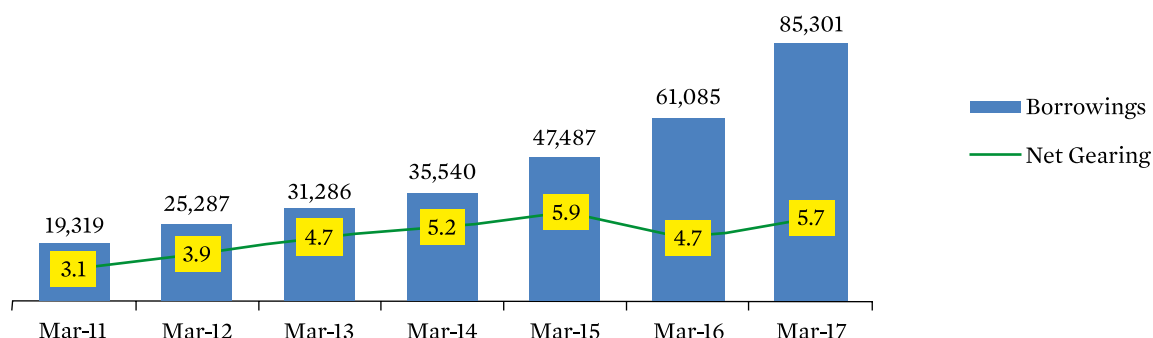
Amounts in ₹ Crores

Return on Equity (RoE), the measure of shareholder earnings, is the ratio of profit to shareholder funds (net worth). RoE is driven by two key factors – the spread and the proportion of book that is funded by borrowings i.e. the leverage. The Company’s RoE increases with leverage and thus an optimal leverage is essential for generating shareholder returns. In FY 2016-17 the Company’s RoE was 26.0%, substantially higher than the average RoE for HFCs of 19.9%<sup>1</sup>.

The Company’s net gearing computed as the ratio of [borrowings, net of cash and liquid investments] to [net worth] stood at 5.7x as of March 31, 2017. The Company’s gearing is one of the lowest amongst its HFC peers – at the end of FY 2016-17 the average gearing for HFCs was 8.0x<sup>1</sup>. The Company thus has sufficient headroom to increase its borrowings and drive RoE expansion.

1. Source: ICRA report on Indian mortgage finance market

### Borrowings and Net Gearing



### Net Gearing: Borrowings Net of 'Cash & Cash Equivalents' and 'Investments in Liquid Debt Instruments'

Borrowings (₹ Crores)

The shareholders of the Company in their 11<sup>th</sup> Annual General Meeting held on 8<sup>th</sup> September, 2016 authorized the Company to borrow monies upto ₹ 125,000 Crores. Against this borrowings as on March 31, 2017 stood at ₹ 85,301 Crores and the borrowings as on June 30, 2017 stood at ₹ 88,468 Crores.

Strong growth, robust profitability and conservative gearing levels are key parameters that a rating agency monitors. Superior performance across these parameters has resulted in a steady rating upgrade trajectory for the Company and today, the Company has the highest long-term credit rating of AAA from three rating agencies. In June 2017, rating agency ICRA, the Indian arm of the leading international credit rating agency Moody's upgraded the Company's rating to AAA. Credit ratings are a key determinant of borrowing costs, and the highest long term credit rating of AAA enables the Company to borrow at fine rates boosting spreads and ultimately profits and RoE.

"Housing for all by 2022" is the government's headline mission and towards this, government agencies and various sectoral regulators have coordinated their efforts to align policies and fiscal incentives. Resultantly, housing and the housing finance industry have bright prospects for an elongated period of growth. Highly rated HFCs, such as your Company, that can fund its growth efficiently are best placed to make the most of this opportunity.

To sustain business growth and to take advantage of opportunities for accelerated growth in a very favorable macro-economic environment, substantial funds may be required to be raised by the Company from various Banks / Institutions / Corporates / Entities etc., the aggregate of which may exceed the existing limits. It is therefore proposed to increase the borrowing limit of the Company from ₹ 125,000 Crores to ₹ 145,000 Crores. While the actual outstanding borrowings at the end of periods such as on March 31, 2018 and June 30, 2018, may be lower than the limit of ₹ 145,000 Crores, approval for a higher amount is sought as intra-year and intra-quarter borrowings can be higher than those at the end of periods. An increase in borrowings will fund book growth driving overall business growth. The increased borrowing limit will permit the Company to grow beyond FY 2017-18 up till September 2018. An inability to enhance the borrowing limit would impede the Company's growth.

In terms of the provisions of Section 180(1)(c) of the Companies Act, 2013, in a case where the borrowings sought to be made by the Company, together with the outstanding borrowings, at the relevant point of time, exceeds the aggregate of paid up capital and free reserves of the Company, a prior approval of the shareholders by way of a special resolution is required, before the transaction can be effectuated by its Board of Directors.

The Board accordingly recommends, passing of the Special Resolution, as set out at Item No. 6 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. 6 of this Notice.

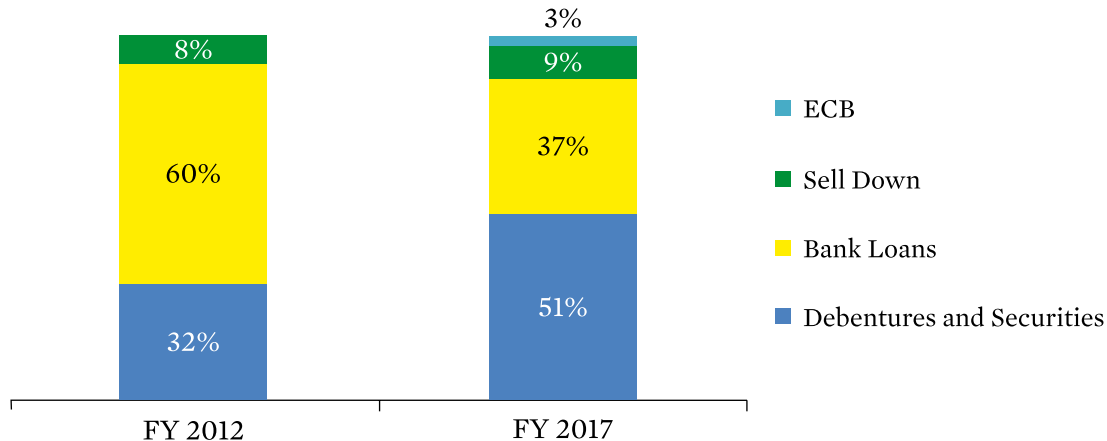
### Item No. 7: Special Resolution to reaffirm the existing limit of ₹ 125,000 Crores for issue of Non-Convertible Debentures and/or other hybrid instruments, of the Company, on private placement basis.

The Board is of the view that the existing limit of ₹ 125,000 Crores for issue of Non-Convertible Debentures (NCDs) and other hybrid instruments (not in the nature of equity shares), is adequate for one more year and no increase in limits is being sought.

The shareholders of the Company at its Annual General Meeting held on September 8, 2016 had authorized the Company to issue Non-Convertible Debentures (NCDs) and other hybrid instruments (not in the nature of equity shares), upto a limit of ₹ 1,25,000 Crores. However, in accordance with the applicable laws viz. the Companies Act, 2013; the Housing Finance Companies Issuance of Non-Convertible Debentures on a Private Placement Basis (NHB) Directions, 2014; the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations 2008; and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; the authorization is valid for one year from the date of approval i.e. upto September 7, 2017. Accordingly, approval of Members is being sought to reaffirm the authorization for issue of Non-Convertible Debentures (NCDs) and other hybrid instruments (not in the nature of equity shares), upto a limit ₹ 1,25,000 Crores.

As on March 31, 2017, the outstanding NCDs issued by the Company stood at ₹ 37,243 Crores. NCDs represent one of the most cost-effective sources of funding and a reliable means of diversification of funding sources. Over the last five years, the Company has brought down reliance on bank term loans from 60% at the end of FY 2011-12 to 37% at the end of FY 2016-17. In the same period funding from debentures and securities has risen from 32% at the end of FY 2011-12 to 51% at the end of FY 2016-17.

#### Composition of Total Borrowings



In June 2017, the Company was upgraded to the highest long-term rating of AAA by ICRA, the Indian arm of the leading international rating agency Moody's. With this upgrade the Company has the highest long-term credit rating of AAA from three rating agencies. The cost at which NCDs are raised, specifically the spread to government bonds are driven by a Company's rating. As the Company has the highest long-term AAA rating, the Company issues NCDs at very fine rates, significantly lower than bank loan rates. Through the first half of FY 2017, NCD rates were lower by as much as 100 to 120 bps from bank loan rates. Despite considerable reduction in bank loan rates since January 2017, the Company issues NCDs at rates that are substantially lower than bank loan rates. Consequently the Company met over 90% of the incremental funding requirements in FY 2016-17 through debentures and securities.

The breadth and depth of Indian debentures and securities market has increased and government focus on housing has opened up new types of instruments and access to a wider set of investors for housing financiers. Funding from foreign investors can now be accessed through masala bonds and External Commercial Borrowings (ECB). With affordable housing being granted infrastructure upto \$ 750 Mn of ECBs can now be raised annually through the automatic route. Indian companies can now also raise funds from foreign debt investors through rupee-denominated masala bonds. With the highest long term credit rating, the Company is best placed to make most of the evolving debenture and security market to raise cost-efficient funding.

Pursuant to and in terms of the provisions of Section 42 of the Companies Act, 2013 read with the Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Board of Directors of the Company, subject to shareholders' approval, by way of a Special Resolution, which is required to be passed every year, can raise funds through issue of NCDs & other Hybrid instruments (not in the nature of equity shares), which can be classified as being Tier II capital under the provisions of Housing Finance Companies (NHB) Directions 2010, beyond September 7, 2017, on a private placement basis, upto one year from the date of shareholders' approval to the resolution, as set out at Item No. 7 of this Notice.

Accordingly, approval of the Members is being sought by way of a Special Resolution as set out at Item No. 7 of this Notice, authorizing the Board to issue NCDs & other Hybrid instruments (not in the nature of equity shares), which can be classified as being Tier II capital under the provisions of Housing Finance Companies (NHB) Directions 2010, 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 shareholders' existing authorization of ₹ 1,25,000 Crores, which was approved by them in the last AGM held on September 8, 2016.

The Board accordingly recommends, passing of the Special Resolution, as set out at Item No. 7 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. 7 of this Notice.

#### **Item No. 8: Special Resolution, for amendment in the Articles of Association of the Company as required by SEBI circular no. CIR/IMD/DF-1/67/2017 dated June 30, 2017**

To comply with the provisions of SEBI circular bearing no. CIR/IMD/DF-1/67/2017 dated June 30, 2017, the Company is required to capture enabling provisions in its Articles of Association, to carry out any consolidation and re-issuance of debt securities, pursuant to and in terms of the provisions of Regulation 20A of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as may be amended, from time to time. The SEBI circular stipulates that the enabling provisions should be obtained within six months from the date of the circular viz June 30, 2017. The SEBI circular can be accessed at <http://www.sebi.gov.in/legal/circulars/jun-2017/>

[specifications-related-to-international-securities-identification-number-isins-for-debt-securities-issued-under-the-sebi-issue-and-listing-of-debt-securities-regulations-2008\\_35215.html](http://www.sebi.gov.in/sebi_data/commondocs/ilds.pdf).

The SEBI circular allows corporates a maximum of 17 International Securities Identification Numbers (ISINs) maturing in any financial year – a maximum of 12 ISINs for plain vanilla debt securities and a maximum of 5 ISINs for structured products/ market linked debt securities. If fresh issuances maturing in a financial year need to be made in excess of the 17 ISINs permitted in that year then prior issue(s) under one or more of the existing ISINs need to be consolidated and reissued. However, to carry out such consolidation and re-issuance of debt securities, clause (a) of Regulation 20A of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 <[http://www.sebi.gov.in/sebi\\_data/commondocs/ilds.pdf](http://www.sebi.gov.in/sebi_data/commondocs/ilds.pdf)> requires an enabling provision in the Articles of Association. The SEBI circular also stipulates that the enabling provision should be obtained within six months.

SEBI's purpose of limiting the ISINs is to increase float against each ISIN thereby enhancing liquidity, which is essential for development of the secondary market in bonds. This is in keeping with the recommendations of a Working Group set up by the Government of India's Financial Stability and Development Council Sub-committee (FSDC-SC) to suggest measures to develop India's corporate debt market.

Pursuant to and in terms of the provisions of Section 14 of the Companies Act, 2013, any alteration in the Articles of Association of the Company requires shareholders' approval, by way of a Special Resolution.

Accordingly, approval of the Members is being sought by way of a Special Resolution, as set out at Item No. 8 of this Notice, authorizing for alteration in the Articles of Association of the Company and consequential insertion of a new article "Article 67A" after the Article 67, in the Articles of Association of the Company.

A copy of the Articles of Association with the proposed changes is available at the registered office & corporate office of the Company for inspection by Members from Monday to Friday from (9:30 a.m. to 5:30 p.m.) till the date of the Annual General Meeting and is also updated on the Company's website <https://www.indiabullshomeloans.com>.

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.

**Item No. 9 to 13: Ordinary Resolution(s), for the re-appointment of Mr. Sameer Gehlaut (DIN: 00060783); Mr. Gagan Banga (DIN: 00010894); Mr. Ajit Kumar Mittal (DIN: 02698115) and Mr. Ashwini Omprakash Kumar (DIN: 03341114) as Whole-time Directors & Key Managerial Personnel, of the Company, for a further period of five years, with effect from March 19, 2018 and appointment of Mr. Sachin Chaudhary (DIN: 02016992) as a director and a Whole-time Director & Key Managerial Personnel of the Company, for a period of five years, with effect from October 21, 2016.**

#### **Mr. Sameer Gehlaut – Executive Chairman**

Mr. Sameer Gehlaut, aged 43 years, is the Founder and Chairman of Indiabulls Group. Mr. Gehlaut, a first generation entrepreneur, has been spearheading the Group since its inception.

Under Mr. Gehlaut's leadership, within a span of 16 years, Indiabulls Group has emerged as a leading business conglomerate with business interests across sectors. Indiabulls Group is one of the top 10 dividend paying Groups in the promoter owned private sector in India. The Group is valued at over 10 billion USD and is amongst the top 25 Groups in the Indian private sector by market value.

Indiabulls Housing Finance Limited (the Company) is Indiabulls Group's flagship entity. Under Mr. Gehlaut's leadership and guidance the Company is amongst the three largest housing finance companies (HFC) in India. The Company enjoys the highest long-term credit rating of AAA from three rating agencies, including ICRA, the Indian arm of the international rating agency Moody's. The Company is a constituent of the MSCI India index and in FY 2017 was included as a part of the NIFTY50, India's benchmark stock market index.

Mr. Gehlaut has presided over a period that has seen continuing growth in shareholders' value and returns. Profits have grown at a six year CAGR of 25% and EPS has grown to ₹ 68.8 for FY 2016-17 from ₹ 23.9 for FY 2010-11. The Company's ROE is one of the highest amongst its HFC and NBFC peers.

The main terms and conditions of re-appointment of Mr. Sameer Gehlaut, as Whole Time Director and Key Managerial Personnel of the Company, designated as an Executive Chairman, are as under :-

<b>Period</b>	5 years w.e.f. March 19, 2018
<b>Nature</b>	Director, not liable to retire by rotation.
<b>Designation</b>	Executive Chairman
<b>Remuneration</b>	Last drawn remuneration, subject to an upward revision of upto 15%, on an annual basis, as approved by the Board on the recommendation of Nomination & Remuneration Committee.
<b>Sitting Fees</b>	Nil

The remuneration paid to Mr. Sameer Gehlaut, during the financial year ended 31st March, 2017, is mentioned in Form MGT – 9, forming part of the Annual Report 2016-17 of the Company.

**In the best interests of the Company, Mr. Sameer Gehlaut has not taken any increase in his remuneration for the past 2 years and has also opted not to seek any increase in his remuneration during the current financial year.**

Mr. Gehlaut holds a graduate degree in Mechanical Engineering from the Indian Institute of Technology, Delhi. He is not related to any other director on the Board of the Company. Mr. Gehlaut, directly and through his 100% owned companies, owns an aggregate of 10,01,94,807 Equity Shares, representing 23.61% of the total paid up equity capital of the Company. He is also a director on the Board of Indiabulls Real Estate Limited, Meru Minerals Private Limited, Karanbhumi Estates Private Limited, Valerian Real Estate Private Limited, Mugwort Real Estate Private Limited, Inuus Infrastructure Private Limited, Inuus Developers Private Limited, Inuus Land Development Private Limited, Inuus Properties Private Limited, Zwina Infrastructure Private Limited, Cleta Infracon Private Limited, OakNorth Holdings Limited, SG Advisory Services Private Limited and Galax Minerals Private Limited.

**Mr. Gagan Banga - Vice-Chairman, Managing Director & CEO**

Mr. Gagan Banga, holds a Post Graduate Diploma in Management and has 18 years of industry experience. He brings deep operational knowledge and first-hand experience in shaping the business strategy of the Company.

Mr. Banga has been managing the Company since inception, first in his capacity as the Chief Executive Officer and now as the Vice-Chairman, Managing Director & CEO of the Company. Under Mr. Banga's able leadership the Company has shown consistent growth outpacing the industry and peers. Some important milestones and achievements over the last few years are:

- Steady growth of between 20% and 25% across all key financial parameters, growing the Company to one of the three major HFCs in a little over a decade.
- The steepest rating upgrade trajectory from a long term AA- rating in 2008 to the highest AAA rating in 2017. There are only a handful of financial services companies in India that have the highest long-term AAA rating which does not factor in sovereign support or support from a larger promoter or founder group. The last that an independent non-bank company, was upgraded by ICRA to the highest AAA rating was 20 years ago in 1997.
- The Company was included in Nifty 50 India's benchmark stock market index. The Company is also a part of the MSCI India index.
- The Company has best-in-class RoE. The RoE for FY2016-17 was 26%.
- Last year the Company launched eHome Loan- India's first end-to-end home loan fulfillment platform.

The main terms and conditions of re-appointment of Mr. Gagan Banga, as Whole Time Director and Key Managerial Personnel designated as Vice-Chairman, Managing Director & CEO of the Company, are as under :-

<b>Period</b>	5 years w.e.f. March 19, 2018
<b>Nature</b>	Director, liable to retire by rotation.
<b>Designation</b>	Vice-Chairman, Managing Director & CEO
<b>Remuneration</b>	Last drawn remuneration, excluding stock options, immediately prior to his re-appointment, w.e.f. March 19, 2018, subject to an upward revision of upto 15% on an annual basis, as approved by the Board on the recommendation of Nomination & Remuneration Committee.
<b>Performance related incentive</b>	Stock options in terms of ESOP plans of the Company.
<b>Sitting Fees</b>	Nil

The remuneration paid to Mr. Gagan Banga, during the financial year ended 31<sup>st</sup> March, 2017, is mentioned in Form MGT – 9, forming part of the Annual Report 2016-17 of the Company.

Mr. Banga holds 28,00,405 Equity Shares of the Company and is not related to any other director on the Board of the Company. He is also a director on the Board of OakNorth Bank Limited, GSB Advisory Services Private Limited, Indiabulls Distribution Services Limited and Indiabulls Alternate Investments Limited. He is also a member of board constituted Risk Management Committee, Corporate Social Responsibility Committee, Investment Committee, Management Committee, Compensation Committee and Bond Issue Committee of the Company.

**Mr. Ajit Kumar Mittal – Executive Director**

Mr. Ajit Kumar Mittal has rich and varied experience 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) in 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.

From September 2007 till now, Mr. Mittal has been working as a Director with the Company. Mr. Mittal manages and has active oversight over all key investments of the Company. He is responsible for risk management, regulatory, governance and compliance issues in the financial services business, besides being involved in the overall business strategy.



The main terms and conditions of re-appointment of Mr. Ajit Kumar Mittal, as Whole Time Director and Key Managerial Personnel designated as Executive Director of the Company, are as under :-

<b>Period</b>	5 years w.e.f. March 19, 2018
<b>Nature</b>	Director, liable to retire by rotation.
<b>Designation</b>	Executive Director
<b>Remuneration</b>	Last drawn remuneration, excluding stock options, immediately prior to his re-appointment, w.e.f. March 19, 2018, subject to an upward revision of upto 15% on an annual basis, as approved by the Board on the recommendation of Nomination & Remuneration Committee.
<b>Performance related incentive</b>	Stock options in terms of ESOP plans of the Company.
<b>Sitting Fees</b>	Nil

The remuneration paid to Mr. Ajit Kumar Mittal, during the financial year ended 31st March, 2017, is mentioned in Form MGT – 9, forming part of the Annual Report 2016-17 of the Company.

Mr. Mittal is a Masters of Arts in Economics from Kurukshetra University and a Master of Science in Business Administration with Academic Excellence from University of Illinois, U.S.A. He holds 25,800 Equity Shares of the Company and is not related to any other director on the Board of the Company. He is also a director on the Board of Indian Commodity Exchange Limited, Indiabulls Venture Capital Trustee Company Limited, Indiabulls Trustee Company Limited, Indiabulls Commercial Credit Limited, Indiabulls Asset Reconstruction Company Limited and Oaknorth Bank Limited. He is also a member of board constituted Audit Committee, Risk Management Committee, Asset Liability Management Committee, Customer Grievance Committee, Management Committee, Strategic Investment Committee and Bond Issue Committee of the Company. He is also Chairman of Audit Committee of Indiabulls Asset Reconstruction Company Limited.

**(iv) Mr. Ashwini Omprakash Kumar - Deputy Managing Director**

Mr. Ashwini Omprakash Kumar has more than 17 years' experience in Retail Mortgage Finance and Corporate Lending to the Real Estate sector. Prior to joining Indiabulls, he worked with HDFC Ltd. for over 10 years leading the Corporate Mortgage Business. With extensive professional experience mortgage-backed lending to both retail and corporate segments, Mr. Kumar has deep market knowledge and has been instrumental in business strategizing. He has strong academia experience and has been a Visiting Professor of Finance at Jannalal Bajaj Institute of Management Studies, Mumbai, one of India's premier business schools. He has deep knowledge of financial markets and has made essential contribution to setting the Company's funding strategy.

The main terms and conditions of re-appointment of Mr. Ashwini Omprakash Kumar, as Whole Time Director and Key Managerial Personnel designated as Deputy Managing Director of the Company, are as under :-

<b>Period</b>	5 years w.e.f. March 19, 2018
<b>Nature</b>	Director, liable to retire by rotation.
<b>Designation</b>	Deputy Managing Director
<b>Remuneration</b>	Last drawn remuneration, excluding stock options, immediately prior to his re-appointment, w.e.f. March 19, 2018, subject to an upward revision of upto 15% on an annual basis, as approved by the Board on the recommendation of Nomination & Remuneration Committee.
<b>Performance related incentive</b>	Stock options in terms of ESOP plans of the Company.
<b>Sitting Fees</b>	Nil

The remuneration paid to Mr. Ashwini Omprakash Kumar, during the financial year ended 31st March, 2017, is mentioned in Form MGT – 9, forming part of the Annual Report 2016-17 of the Company.

Mr. Kumar is a Mechanical Engineer from Indian Institute of Technology, Roorkee and a Master in Management Studies from Jannalal Bajaj Institute of Management Studies, Mumbai. He has also completed his advanced Studies in International Housing Finance from Wharton School, University of Pennsylvania, U.S.A. He holds 3,74,713 Equity Shares of the Company and is not related to any other director on the Board of the Company. He is not on the Board of any other Company. He is a member of board constituted, Risk Management Committee, Asset Liability Management Committee, Corporate Social Responsibility Committee, Investment Committee, Management Committee, Strategic Investment Committee, Stakeholders Relationship Committee and Bond Issue Committee of the Company.

**(v) Mr. Sachin Chaudhary – Executive Director**

Mr. Sachin Chaudhary established the retail mortgage lending business at the Company and in his executive capacity has been the business head of retail mortgages since 2005. In a short span of just 12 years, Mr. Chaudhary has been successful in establishing one of the country's largest retail mortgage franchises. His experience and expertise spans all operating functions of retail mortgages which has been vital in building a retail mortgage business that has clocked steady book growth with tight control over asset quality while maintaining strong profitability. During the course of his career Mr. Chaudhary has developed a strong connect with

market participants and he is very adept at spotting industry trends across the country's diverse geography. As a Board member, drawing from his deep experience and market knowledge, he contributes to shaping the strategy for the retail mortgage business.

The main terms and conditions of appointment of Mr. Sachin Chaudhary, as Whole Time Director and Key Managerial Personnel, designated as Executive Director of the Company, are as under :-

<b>Period</b>	5 years w.e.f. October 21, 2016
<b>Nature</b>	Director, liable to retire by rotation.
<b>Designation</b>	Executive Director
<b>Remuneration</b>	Remuneration, excluding stock options, as at October 21, 2016, subject to a revision on annual basis, as approved by the Board on the recommendation of Nomination & Remuneration Committee.
<b>Performance related incentive</b>	Stock options in terms of ESOP plans of the Company.
<b>Sitting Fees</b>	Nil

The remuneration paid to Mr. Chaudhary, during the financial year ended 31st March, 2017, is mentioned in Form MGT – 9, forming part of the Annual Report 2016-17 of the Company.

Mr. Sachin Chaudhary has post graduate qualification in Finance from Centre for Management Development and an Executive MBA from Columbia Business School. In the course of his career, he has worked with ICICI Bank and GE Money. At ICICI Bank he was part of the team that launched the home loans product. Mr. Chaudhary holds 70,000 Equity Shares of the Company and is not related to any other director on the Board of the Company. He is also a director on the Board of Indiabulls Capital Services Limited, Indiabulls Life Insurance Company Limited, Nilgiri Financial Consultants Limited and Indiabulls Venture Capital Trustee Company Limited. He is a member of board constituted, Risk Management Committee, Asset Liability Management Committee, Customer Grievance Committee of the Company and member of Integrated Risk Management Committee and Investment Committee of Indiabulls Commercial Credit Limited.

The actual remuneration to be paid to the aforesaid appointees, from time to time during their tenure, shall be subject to overall ceiling of remuneration prescribed in the Act read with Schedule V and applicable Rules thereto, as amended from time to time.

The existing tenure of Mr. Sameer Gehlaut (DIN: 00060783) as a Whole Time Director and Key Managerial Personnel, designated as Executive Chairman of the Company and other Whole-Time Directors and Key Managerial Personnel, namely, Mr. Gagan Banga (DIN: 00010894), designated as Vice-Chairman, Managing Director & CEO of the Company; Mr. Ajit Kumar Mittal (DIN: 02698115) designated as Executive Director of the Company; and Mr. Ashwini Omprakash Kumar (DIN: 03341114) designated as Deputy Managing Director of the Company, shall come to an end on March 18, 2018.

Mr. Sachin Chaudhary (DIN: 02016992) was appointed as an Additional Director and a Whole-Time Director and Key Managerial Personnel of the Company designated as its Executive Director w.e.f. October 21, 2016, for a period of five years. His appointment being as an Additional Director on the Board of the Company, is up to the date of ensuing Annual General Meeting. In terms of the applicable provisions of the Companies Act, 2013, a member of the Company has proposed his candidature for the office of Director, liable to retire by rotation.

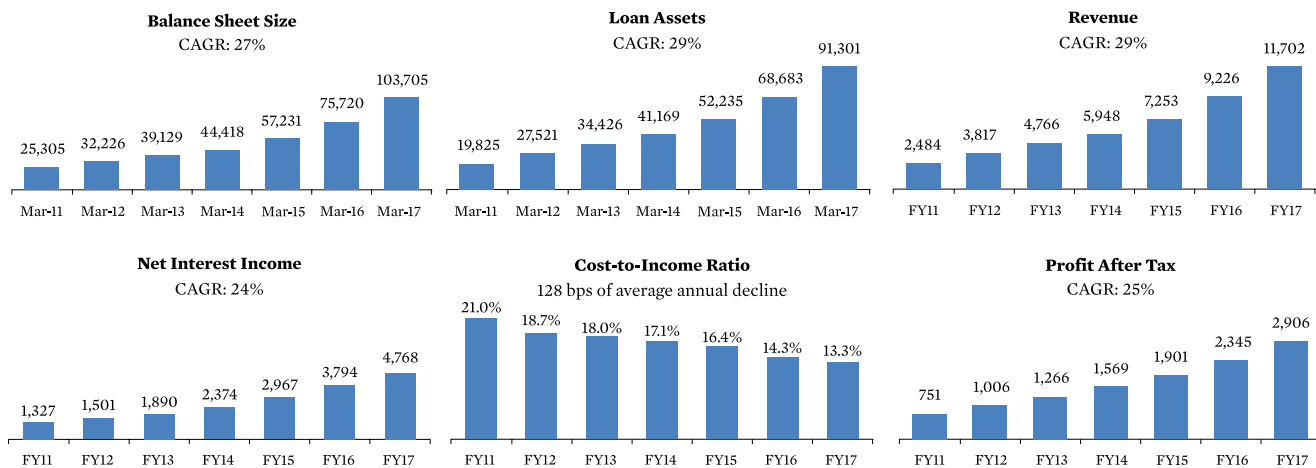
The Company has grown significantly under the leadership and guidance of all its Whole-time Directors. Keeping in view their vast experience, knowledge and managerial skills, the Nomination & Remuneration Committee has recommended to the Board, the re-appointment of Mr. Sameer Gehlaut, Mr. Gagan Banga, Mr. Ajit Kumar Mittal and Mr. Ashwini Omprakash Kumar, Whole-Time Directors and Key Managerial Personnel, as such, for a further period of five years w.e.f. March 19, 2018 and appointment of Mr. Sachin Chaudhary as a director liable to retire by rotation and as a Whole-time Director and Key Managerial Personnel for a period of five years w.e.f. October 21, 2016. The Board is also of the view that it will be in the best business interest of the Company that

- Mr. Sameer Gehlaut (DIN: 00060783) is re-appointed as a Whole Time Director and Key Managerial Personnel, designated as Executive Chairman of the Company
- Mr. Gagan Banga (DIN: 00010894) is re-appointed as a Whole-Time Director and Key Managerial Personnel, designated as Vice-Chairman, Managing Director & CEO of the Company,
- Mr. Ajit Kumar Mittal (DIN: 02698115) is re-appointed as a Whole-time Director and Key Managerial Personnel designated as Executive Director of the Company,
- Mr. Ashwini Omprakash Kumar (DIN: 03341114) is re-appointed as a Whole-time Director and Key Managerial Personnel, designated as Deputy Managing Director of the Company, and
- Mr. Sachin Chaudhary (DIN: 02016992) is appointed as a director, liable to retire by rotation and as a Whole-time Director and Key Managerial Personnel designated as Executive Director of the Company.

Under the leadership and guidance of all the Whole-Time Directors and Key Managerial Personnel, the Company has grown at a steady pace across all financial parameters. In FY 2016-17 the Company's balance sheet size grew past the landmark ₹ 1,00,000 crores to close at ₹ 1,03,705 crores, up from ₹ 25,305 crores at the end of FY 2010-11 – a CAGR of 27%. Total loan assets have also

grown at a CAGR of 29% since FY2010-11 to close FY 2016-17 at ₹ 91,301 crores. Profits have followed a similar trajectory growing to ₹ 2,906 crores in FY2016-17 at a six-year CAGR of 25% from ₹ 751 crores in FY2010-11.

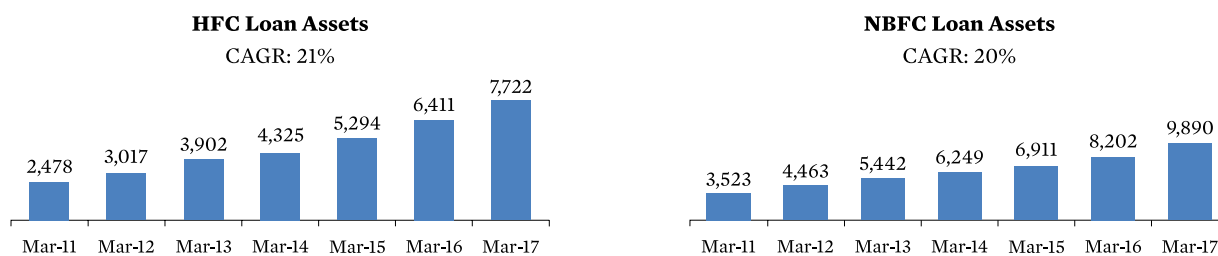
**Growth across all Key Financial Parameters**



Amounts in ₹ Crores

With a six-year CAGR of Loan Assets at 29%, the Company outpaced the HFC and NBFC sector, which over the same period grew at a CAGR of 21% and 20% respectively.

**Growth in HFC Loan Assets and Loan Assets of the NBFC Sector**



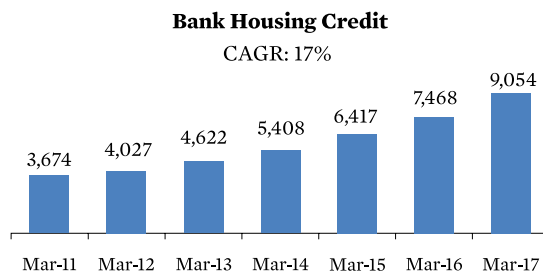
Source: NHB Report on Trend and Progress of Housing in India

Source: Data received from CRISIL Research Team

Amounts in ₹ Billions

The Company's growth was also higher than the growth in the housing finance portfolio of banking which grew at a six-year CAGR of 17%.

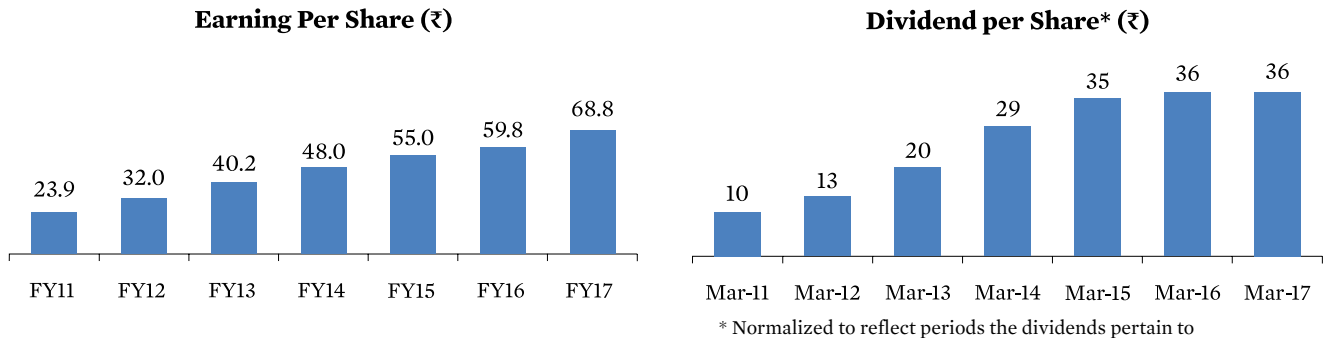
**Growth in Housing Loan portfolio of Banks**



Source: ICRA report on Indian Mortgage Finance Market

Amounts in ₹ Billions

The Company has also yielded superior returns for shareholders with robust earnings and dividends.



For FY 2016-17 the Company's profits were the second highest in HFC sector. On key financial parameters the Company has lodged superior performance within the HFC sector.

**IBHFL's Key Financial Parameters vis-à-vis the HFC Sector**

	<b>IBHFL</b>	<b>HFC Sector Average</b>
Loan Assets Growth (FY17)	32.9%	20.0%
RoE	26.0%	19.9%
CRAR	21.0%	17.3%
Leverage	5.7	8.1

Source: Company financials and ICRA report on Indian Mortgage Finance Market updated for FY17

During this period of steady growth, business has been conducted with particular focus on underwriting standards and cost efficiency. The gross and net NPAs continue to remain low at 0.85% and 0.36% respectively at the end of FY2016-17. Cost to income ratio has declined steadily from 21.0% in FY2010-11 to 13.3% in FY2016-17. The Company's cost to income ratio is now one of the lowest globally amongst bank and non-bank lenders. In deciding to curtail increase in their remunerations, Mr. Gehlaut, Mr. Banga and Mr. Kumar have taken the lead in contributing to a faster decline in the Company's cost to income ratio.

The Whole Time Directors have also presided over a rating upgrade trajectory that saw the Company upgraded to the highest long-term rating of AAA from a rating of AA- in 2008. During this period the senior management team has been stable remaining largely unchanged with many business leaders and heads of departments having been with the Company since the commencement of their respective business lines. In June, 2017 the Company was upgraded to the highest long-term rating of AAA by rating agency ICRA, the Indian arm of the leading international rating agency Moody's. The Company now has the highest long term rating of AAA from three rating agencies. There are only a handful of financial services companies in India that have the highest long-term AAA rating that does not factor in sovereign support or support from a larger promoter or founder group. The last that an independent non-bank company, was upgraded by ICRA to the highest AAA rating was 20 years ago in 1997.

The Government of India is particularly focused on affordable housing enunciated through its mission of "Housing for all by 2022". Strong demand supported by demographic drivers, low inflation and robust wage growth, has ensured that the macros for the housing sector and the housing finance sector in India have never been better. Amongst its HFC peers, the Company is one of the best capitalized and has one of the lowest net gearing ratios. The Company is in a strong position and is poised to make the most of the favourable macro-economic environment for housing.

Pursuant to and in terms of the provisions of Section 196 and 197, Schedule V and other applicable provisions of the Companies Act, 2013, shareholders' approval, by way of an Ordinary Resolution, is required for the appointment / re-appointment of Whole-Time Directors and Key Managerial Personnel of the Company and payment of remuneration. The Board accordingly recommends, passing of the Ordinary Resolutions, as set out at Item No. 9 to 13 of this Notice, for the approval of the Members of the Company.

Except the proposed appointees, in respective resolutions set out at Item Nos. 9 to 13 of this Notice, proposing their appointments and payment of remuneration, 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 respective resolutions.

By Order of the Board of Directors  
 For **Indiabulls Housing Finance Limited**

Sd/-  
 Amit Jain

Company Secretary  
 FCS: 5433

Place: New Delhi  
 Date: August 10, 2017



**INDIABULLS HOUSING FINANCE LIMITED**

CIN: L65922DL2005PLC136029

**Registered Office:** M-62 & 63, First Floor, Connaught Place, New Delhi - 110 001

Email: homeloans@indiabulls.com, Tel: 0124-6681199, Fax: 0124-6681240,

Website: www.indiabullshomeloans.com

**FORM NO. MGT 11**

**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) :		E-mail ID :	
Registered Address :		Folio No./Client ID :	
		DP ID :	

I / We, being the member(s) of \_\_\_\_\_ Equity Shares of Rs. 2 each of the above named Company, hereby appoint:

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him / her

2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him / her

3. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him / her

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 Friday, September 8, 2017 at 10:00 A.M. at Mapple Emerald, Rajokri, NH-8, New Delhi - 110038, and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:



<b>Resolution No.</b>	<b>Brief details of the Resolution</b>
	<b>Ordinary Business</b>
1	Adoption of the Audited Standalone and Consolidated Financial Statements of the Company as at March 31, 2017 and the Reports of the Board of Directors and Auditors thereon.
2	Confirmation of payment of interim dividends, declared on equity shares for the financial year 2016-17.
3	Re-appointment of Mr. Ajit Kumar Mittal (DIN: 02698115) a Whole Time Director & Key Managerial Personnel, designated as an Executive Director, who is liable to retire by rotation and, being eligible offers himself for re-appointment.
4	Re-appointment of Mr. Ashwini Omprakash Kumar (DIN: 03341114) a Whole Time Director & Key Managerial Personnel, designated as Deputy Managing Director, who is liable to retire by rotation and, being eligible offers himself for re-appointment.
5	Appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Registration No.: 301003E/E300005), as the Statutory Auditors of the Company for a period of 5 (five) consecutive years and fixing their remuneration.
	<b>Special Business</b>
6	Approval for increase in borrowing powers of the Company upto ₹ 145,000 Crore.
7	Approval to issue of Non-Convertible Debentures and/or other hybrid instruments on a private placement basis, within the shareholders' existing authorization of upto ₹ 125,000 Crore.
8	Approval for amendment in the Articles of Association of the Company.
9	Approval for re-appointment of Mr. Sameer Gehlaut (DIN: 00060783) as a Whole-time Director & Key Managerial Personnel and designated as Executive Chairman of the Company, for a further period of five years, with effect from March 19, 2018 and payment of remuneration.
10	Approval for re-appointment of Mr. Gagan Banga (DIN: 00010894) as a Whole-Time Director & Key Managerial Personnel, designated as Vice-Chairman, Managing Director & CEO of the Company, for a further period of five years, with effect from March 19, 2018 and payment of remuneration.
11	Approval for re-appointment of Mr. Ajit Kumar Mittal (DIN: 02698115) as a Whole-Time Director & Key Managerial Personnel and designated as Executive Director of the Company, for a further period of five years, with effect from March 19, 2018 and payment of remuneration.
12	Approval for re-appointment of Mr. Ashwini Omprakash Kumar (DIN: 03341114) as a Whole-Time Director & Key Managerial Personnel, designated as Deputy Managing Director of the Company, for a further period of five years, with effect from March 19, 2018 and payment of remuneration.
13	Approval for appointment of Mr. Sachin Chaudhary (DIN: 02016992) as a Whole-time Director & Key Managerial Personnel, designated as Executive Director of the Company, for a period of five years, with effect from October 21, 2016 and payment of remuneration.

Affix Revenue Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2017

Affix revenue stamp of ₹ 1/-
---------------------------------------

Signature of Shareholder: \_\_\_\_\_

Signature of Proxy Holder(s): \_\_\_\_\_

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office mentioned above or Corporate Office of the Company at Indiabulls House, 448-451, Udyog Vihar, Phase V, Gurugram-122016, 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 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.



**INDIABULLS HOUSING FINANCE LIMITED**

CIN: L65922DL2005PLC136029

**Registered Office:** M-62 & 63, First Floor, Connaught Place, New Delhi - 110 001

Email: homeloans@indiabulls.com, Tel: 0124-6681199, Fax: 0124-6681240,

Website: www.indiabullshomeloans.com

**ATTENDANCE SLIP**

**(Please hand over this slip at the entrance of the meeting hall)**

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)

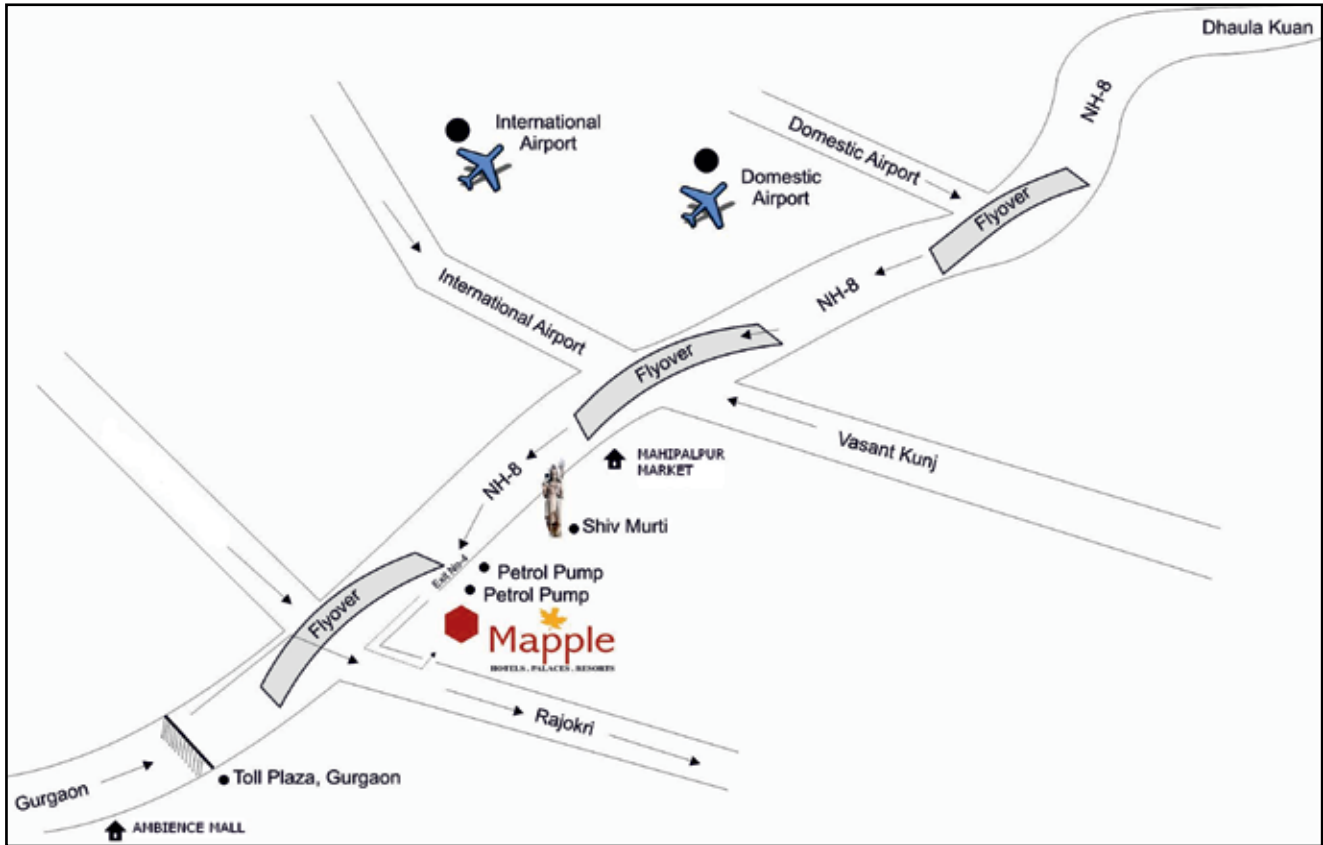
I/We hereby record my/our presence at the Twelfth Annual General Meeting of the Company held on the **Friday, September 8, 2017 at 10:00 A.M.** at Mapple Emerald, Rajokri, NH-8, New Delhi -110038.

\_\_\_\_\_  
Member's Signatures

\_\_\_\_\_  
Proxy's Signatures

\*Applicable for Members holding shares in Physical form.

### MAP OF AGM VENUE



# UNLOCKING INDIA'S DREAM OF OWNING A HOME







#### **Forward-looking statement**

In this Annual Report, we have disclosed forward-looking information to enable investors to appraise 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. Although we have been prudent in our assumptions, we cannot guarantee that these forward-looking statements will be realised. The achievement of results is 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 materially vary from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statement whether as a result of new information, future events or otherwise.





## **A momentous year for mid-income affordable housing**

Towards its mission of 'Housing for All by 2022', the Government, in coordinated actions with sectoral regulators, unveiled a slew of measures to line-up incentives and direct efficient funding to affordable housing.

Mid-income affordable housing got a boost with the inclusion of households with incomes up to ₹ 18 lakhs per year under the Credit Linked Subsidy Scheme (CLSS) of the Pradhan Mantri Awaas Yojana (PMAY).

Factoring the upfront subsidy under the PMAY scheme and tax savings from deduction available against home loan repayments, the effective home loan interest rate for mid-income affordable housing is at near-zero levels!! These near-zero effective home loan rates are in stark contrast to the prevalent rental yields of 3%+ in urban India, making home purchase extremely compelling.

Demand in mid-income affordable housing remains strong propped up by a young working population, two thirds of which is below 35 years of age, and rising urbanisation. Moderating residential prices, robust wage inflation and fiscal incentives to home buyers and builders, has led to tremendous improvement in affordability.

The average age of the first-time home buyer is falling. A change in the home loan distribution model towards a more digital, internet driven mobile platform is imminent. Indiabulls e-Home Loans is an industry pioneering, global first, end-to-end online home loan fulfilment platform providing access to Indiabulls' home loans at customers' fingertips.

We have our ears to the ground and recognise the potential of emerging technology to vastly improve customer experience and enhance our operational efficiencies. We have digitalised our offerings to capitalise on the emerging potential of tier II and tier III towns and cities with leaner tech-efficient home loan branches in these cities.

We are India's second largest housing finance company and are now a part of the Nifty 50 Index. We enjoy the highest long-term rating of 'AAA' and are focused on creating value for all our stakeholders. With over 9.20 lakh satisfied customers, our endeavour is to reach out to and help every aspiring Indian who dreams of owning a home.

**WE ARE UNLOCKING INDIA'S  
DREAM OF OWNING A HOME!**

# CONTENTS

COMPANY OVERVIEW	STATUTORY REPORTS	FINANCIAL STATEMENTS
3 Corporate Information	28 Directors Report	84 Consolidated Financials
4 Indiabulls Housing Finance at a Glance	61 Management Discussion and Analysis	141 Standalone Financials
6 Unlocking New Milestones	67 Business Responsibility Report	
8 Key Performance Indicators	71 Report on Corporate Governance	
10 Enablers of Our Business		
11 Smart City Home Loans		
12 Unlocking the Potential of mid-in- come Affordable Housing		
14 Unlocking Customer Ease with Technology		
16 Unlocking Sustainability with Operational Efficiency		
18 Corporate Social Responsibility		
20 A Glimpse into the Year 2016-17		
22 Executive Management Team		
23 Recognised for All Round Growth		
24 From the Chairman's Desk		

# CORPORATE INFORMATION

## Board of Directors

Mr. Sameer Gehlaut  
 Mr. Gagan Banga  
 Mr. Ajit Kumar Mittal  
 Mr. Ashwini Omprakash Kumar  
 Mr. Sachin Chaudhary  
 Dr. Kamalesh Shailesh Chandra Chakrabarty  
 Retd. Justice Bisheshwar Prasad Singh  
 Retd. Justice Gyan Sudha Misra  
 Mrs. Manjari Ashok Kacker  
 Retd. Brig. Labh Singh Sitara  
 Mr. Shamsheer Singh Ahlawat  
 Mr. Prem Prakash Mirdha

## Company Secretary

Mr. Amit Jain

## Investor Relations

Ramnath Shenoy  
 Tel: 022-61891444  
 Email: investor.relations@indiabulls.com

## Statutory Auditors

Deloitte Haskins & Sells LLP  
 Chartered Accountants  
 Indiabulls Finance Centre, Tower 3, 32nd Floor,  
 Elphinstone Mill Compound, Senapati Bapat Marg,  
 Elphinstone (W), Mumbai - 400 013

## Internal Auditors

N.D. Kapur & Co.  
 Chartered Accountants  
 0-24B, LGF, Jangpura Extension, New Delhi - 110 014

## Secretarial Auditors

Neelam Gupta & Associates  
 Company Secretaries, D-2/16 Darya Ganj,  
 New Delhi - 110 002

## Registered Office

M-62 & 63, First Floor,  
 Connaught Place, New Delhi - 110 001  
 Email: helpdesk@indiabulls.com  
 Tel: 0124-6681199, Fax: 0124-6681240  
 Website: www.indiabullshomeloans.com

## Corporate Offices

Indiabulls House,  
 Indiabulls Finance Centre,  
 Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013

Indiabulls House,  
 448-451, Udyog Vihar, Phase-V, Gurugram - 122 016

## Registrar & Transfer Agent

Karvy Computershare Private Limited  
 Unit: Indiabulls Housing Finance Limited,  
 Karvy Selenium, Tower B, Plot No. 31-32,  
 Gachibowli Financial District,  
 Nanakramguda,  
 Hyderabad - 500 032

## Bankers

- Allahabad Bank
- Andhra Bank
- Axis Bank
- Bank of Baroda
- Bank of India
- Bank of Maharashtra
- Barclays Bank
- Canara Bank
- Central Bank of India
- Citibank N.A.
- Corporation Bank
- DCB Bank
- Dena Bank
- Deutsche Bank
- Federal Bank
- HDFC Bank
- The Hongkong and Shanghai Banking Corporation
- ICICI Bank
- IDBI Bank
- Indian Bank
- Indian Overseas Bank
- IndusInd Bank
- Karnataka Bank
- Kotak Mahindra Bank
- Oriental Bank of Commerce
- Punjab & Sind Bank
- Punjab National Bank
- RBL Bank
- State Bank of Bikaner and Jaipur
- State Bank of Hyderabad
- State Bank of India
- State Bank of Mysore
- State Bank of Patiala
- State Bank of Travancore
- Syndicate Bank
- UCO Bank
- Union Bank of India
- United Bank of India
- Vijaya Bank
- Yes Bank

## INDIABULLS HOUSING FINANCE AT A GLANCE

₹ **1,037 Bn**

BALANCE SHEET SIZE

₹ **121 Bn**

NET WORTH

₹ **48 Bn**

NII

₹ **29 Bn**

PAT

**AAA**

RATED

We are a Housing Finance Company (HFC) primarily focused on home loans in the mid-income housing segment. We have a pan-India branch network manned by over 6,300 employees.

## OUR CORE VALUES



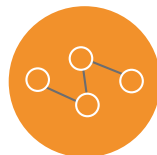
### CUSTOMER FIRST

Singularly focused on mid-income affordable housing, the Company and its processes are built around delivering best-in-class service.



### TRANSPARENCY

Competent and committed workforce.



### INTEGRITY

Actions governed by a strong code of honesty and accountability.



### PROFESSIONALISM

Clear communication and fairness in all our dealings.

We are a part of the 'Indiabulls Group' – one of India's leading business conglomerates, with businesses across housing finance, real estate and wealth management.

## OUR GOALS

- Making available convenient and customer centric home loan offerings to aspiring homebuyers
- Encouraging home ownership by contributing to the housing sector ecosystem

## OUR OFFERINGS

### Home Loans

We provide tailor-made home loan solutions to our customers, both resident and non-resident Indians, to help them realise their dream of owning a home. We help them at every step - selecting the right property; checking development approval of the selected property; advising them on their home loan, including finer aspects like calculating EMIs and tax benefits on their loan.

### Loan Against Property

We help SMEs and small business owners unlock and realise the value of their property by providing loans against their property for their business requirements.

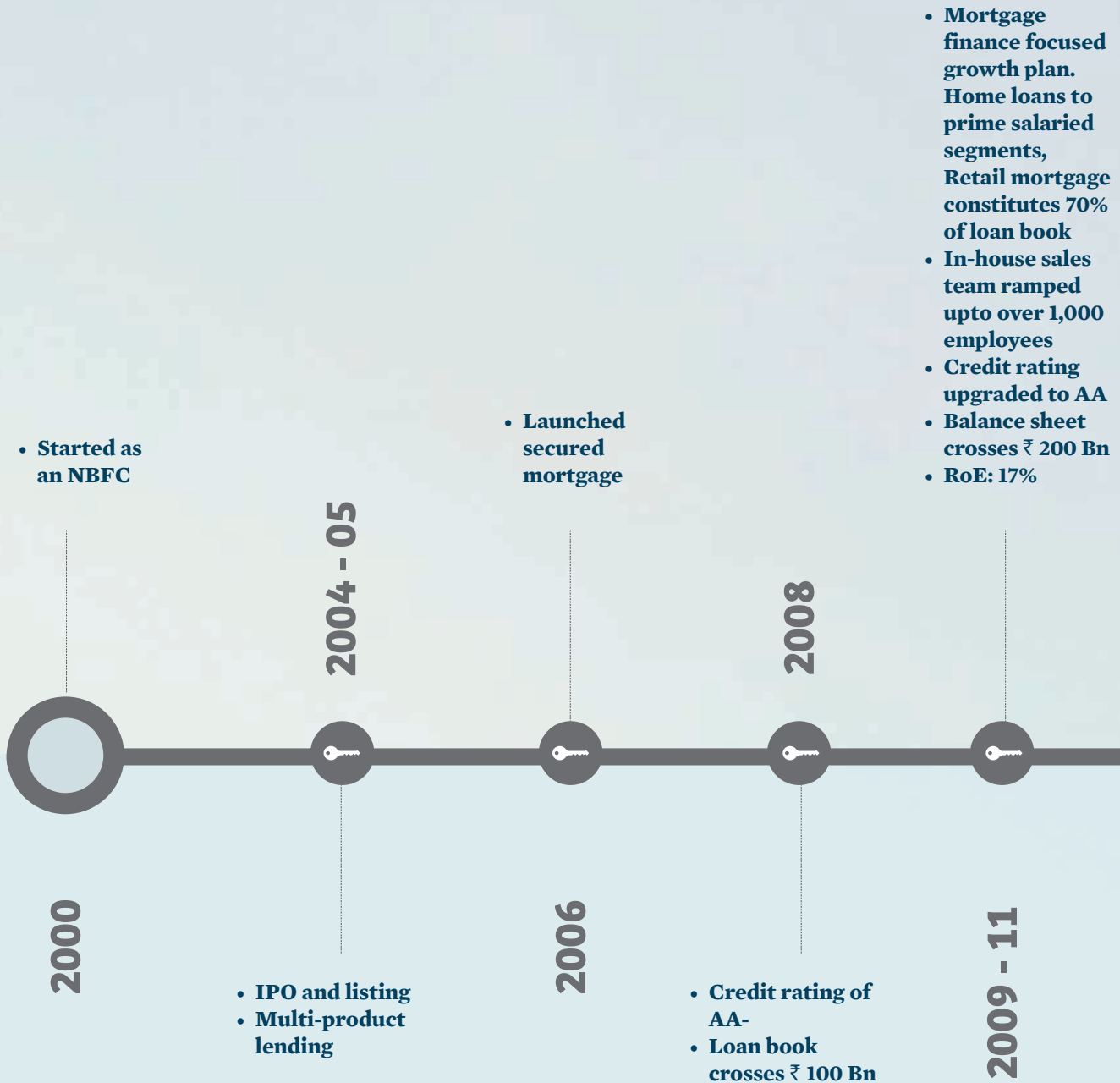
### Residential Construction Finance

We extend construction finance to ongoing residential projects, thereby contributing to creation of new housing stock in the country. Residential construction finance is extended at the project level after ascertaining that all requisite development approvals are in place.

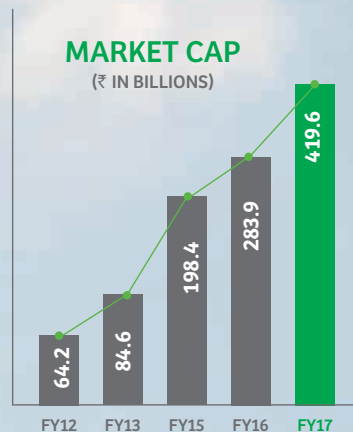
### Lease Rental Discounting

Commercial property owners can leverage their completed and leased out properties by availing Lease Rental Discounting (LRD) loans against rental receivables. The property serves as collateral and monthly rents go towards serving the loan obligation. By facilitating efficient leveraging of completed and leased out commercial properties, IBHFL encourages construction and supply of fresh commercial space in the country.

## UNLOCKING NEW MILESTONES







- Conversion to HFC
- India's 3rd largest HFC by size
- PAT ₹ 12.7 Bn
- RoE: 26%

- Balance Sheet: ₹ 757.2 Bn
- PAT: ₹ 23.4 Bn
- ₹40 Bn raised through QIP issue
- Net worth: ₹107 Bn

2011 - 12

2014 - 15

2016 - 17

- Credit rating upgraded to AA+
- PAT crosses ₹ 10 Bn
- Balance sheet crosses ₹ 300 Bn
- RoE: 22%

2012 - 13

- Credit rating upgraded to AAA
- Gross disbursements crosses ₹ 1,000 Bn
- Balance Sheet: ₹ 572.3 Bn
- PAT: ₹ 19.0 Bn
- RoE: 29%

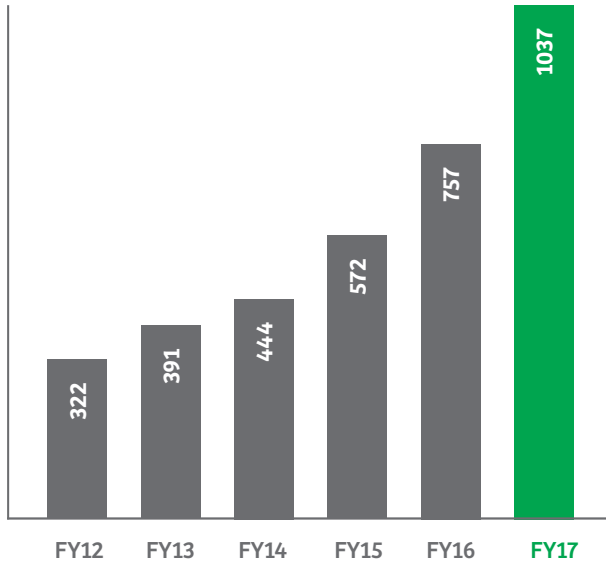
2015 - 16

- Balance sheet: ₹ 1.04 Tn
- PAT: ₹ 29.1 Bn
- Net worth: ₹ 121 Bn
- Launched India's first digital home loans platform – eHome Loans
- IBHFL included in Nifty 50 index

# KEY PERFORMANCE INDICATORS

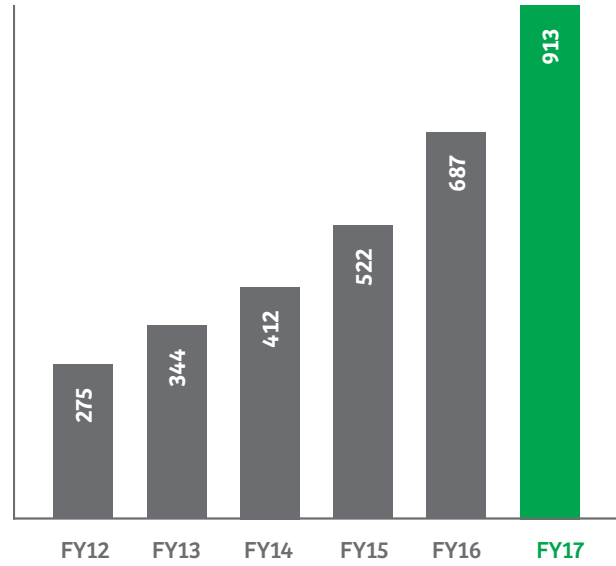
## BALANCE SHEET (₹ IN BILLIONS)

**26%**  
5 YEAR CAGR



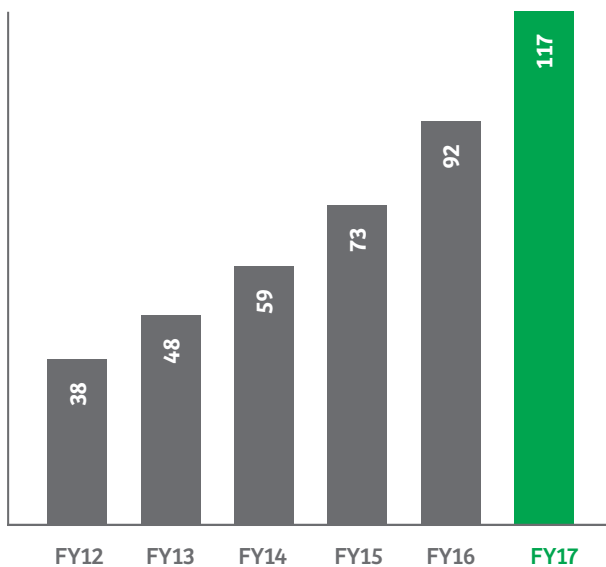
## LOAN ASSETS (₹ IN BILLIONS)

**27%**  
5 YEAR CAGR



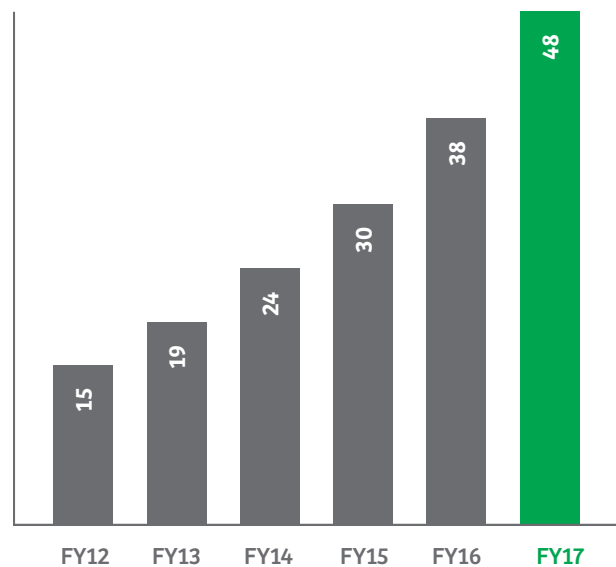
## REVENUE (₹ IN BILLIONS)

**25%**  
5 YEAR CAGR



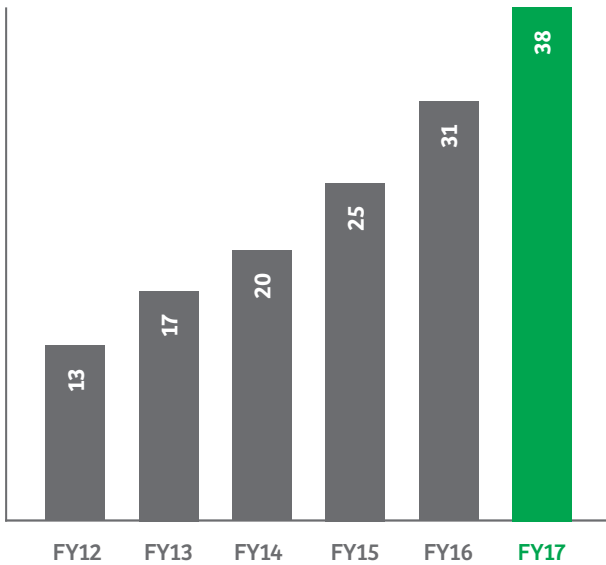
## NII (₹ IN BILLIONS)

**26%**  
5 YEAR CAGR



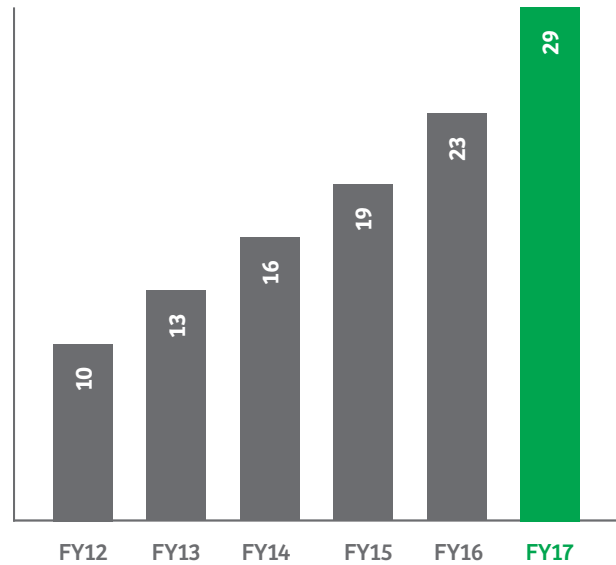
**PBT**  
(₹ IN BILLIONS)

 **23%**  
5 YEAR CAGR

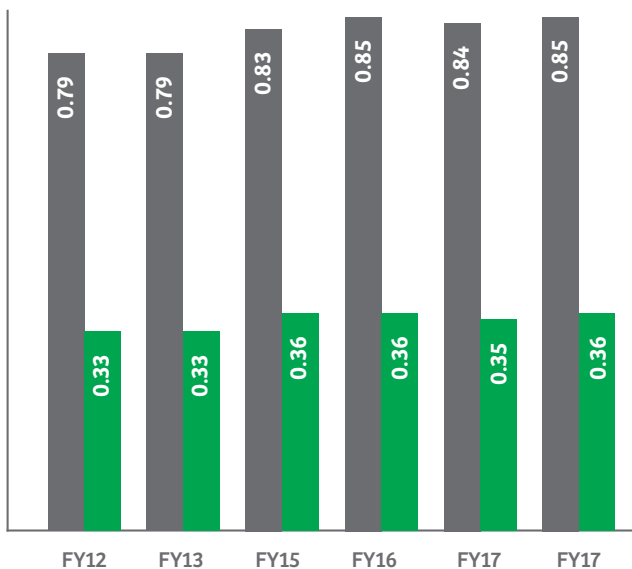


**PAT**  
(₹ IN BILLIONS)

 **24%**  
5 YEAR CAGR



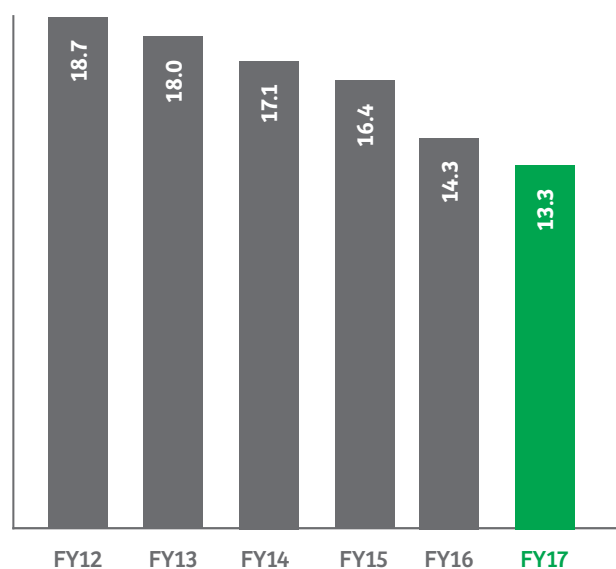
**GROSS NPA AND NET NPA**  
(%)



 GROSS NPA  NET NPA

**COST TO INCOME**  
(RATIO)

 **108 bps**  
AVERAGE ANNUAL DECLINE



## ENABLERS OF OUR BUSINESS

We owe our growth and success to our stakeholders. We thank our customers for choosing us as their housing finance partner; shareholders and lenders for their trust; and employees for their hard work, commitment and loyalty to the Company.



### CUSTOMER SATISFACTION

Our tailor-made products, transparency in operations, a continuing focus on customer convenience and investment in technology has helped us build a family of 9.20 lakh happy customers.



### DEDICATED WORKFORCE

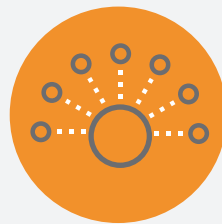
Our workforce of over 6,300 employees with more than 3,500 dedicated sales and customer service employees ensure high standards of service and efficiency in operations.



### STRONG RELATIONSHIPS

We have built strong relationships with investors, shareholders, lenders and developers:

- Enduring relationships with 375 lenders and bankers - 26 PSU banks, 20 private and foreign banks and 329 mutual funds, provident funds, pension funds, insurance companies and others
- Over 6,100 approved projects for finance across the countries covering all major developers
- Broad-based international and domestic shareholding



### WIDE PRESENCE

Our nation-wide branch network and virtual branches (website and mobile app) ensure a wide span of reach. Presence on all digital and social platforms helps us to stay connected with our customers 24x7.

# 'SMART CITY HOME LOANS' FOR THE NEXT TIER OF BURGEONING URBAN INDIA

The opportunity in mid-income affordable housing is immense. This year we opened up as many as 41 new branches in Tier-II and Tier-III towns to cater to the next wave of growth and demand for mid-income affordable housing.

This network expansion is through a hub and spoke model with regional credit hubs servicing growing towns through technology leveraged lean branches.

At an average ticket size of ₹ 15 lakhs, through smart city home loans, we now cater to a broader target segment of mid-income home buyers in India's growing new urban centres.

The new initiative has shown great promise and already 7% of home loans disbursements are in these new locations.



# UNLOCKING THE POTENTIAL OF MID-INCOME AFFORDABLE HOUSING



***Housing finance in India is at an inflection point and is poised for steady, sustained growth over the coming decade. Compared to advanced and even emerging economies, our country's mortgage penetration is very low, indicating the immense potential for growth. Mid-income affordable housing segment is gathering momentum and the market estimated to grow to ₹ 6.25 trillion by 2022.***

Our singular focus is on making convenient housing finance available at reasonable rates to aspiring homebuyers. We are particularly focused on mass-market, mid-income affordable housing. Exclusive focus on mortgage-backed financing means that the Company's systems, processes and workforce are built around mortgage loans.

### **Government Focus on Affordable Housing**

Towards its mission of 'Housing for All by 2022', the Government has unveiled a slew of measures covering all aspects of supply, demand and funding to the housing sector.

With particular focus on mid-income affordable housing, the Government expanded subsidies under the Pradhan Mantri Awas Yojana (PMAY) to households of income upto ₹18 lakhs per annum, squarely covering the mid-income segment. These subsidies along with income tax deductions against home loan repayments, means that effective home loan rates in the mid-income affordable housing segment have crashed to near-zero levels making home ownership extremely compelling.

### **EPF Corpus Available for Home Financing**

Members of the Employee Provident Fund Organisation (EPFO) can withdraw up to 90% of their accumulated corpus towards purchase or construction of a house as well as to service EMIs. This provides access to a ready accumulated sum for downpayment on a house. The accumulated corpus as a source of funds also increases a borrower's home loan eligibility.

### **Efficient Funding Avenues**

Sectoral regulators RBI, SEBI and IRDA have worked with the Government to open up efficient funding to the affordable housing sector. SEBI permitted mutual funds to invest in highly rated HFCs beyond the sectorial cap of 25% up to 40%.

Affordable Housing was granted infrastructure status opening up access to low cost, long term funding from external commercial borrowings, insurance companies and pension and provident funds.

RBI slashed the risk weight on bank lending to AAA rated HFCs to a fifth to 20% from the earlier 100% enabling banks to reduce borrowing costs for HFCs.

For insurance companies, IRDA exempted investments in AAA rated HFC debt instruments from all sectoral caps.

## **Redefining Loans for Mid-income Affordable Housing**

We offer competitively priced home loans through customer-centric, convenient channels of fulfilment. e-Home Loans and app-enabled access have effectively shifted the Indiabulls Home Loans branch to the customer's mobile phone.



# UNLOCKING CUSTOMER EASE WITH TECHNOLOGY



***At Indiabulls Housing Finance, we work at continuously evolving our product offerings, services and internal processes to provide our customers an unmatched home buying experience.***

### **Home Loans: A Long-term Relationship**

Purchasing a home is one of life's key decisions. In taking a home loan, a home buyer enters into a long-term relationship with us, requiring regular engagement. Our systems and processes encompass every aspect of this valuable relationship and we aim to make every step of the way convenient and proactively responsive.

### **Hassle-Free 'On-Boarding'**

Our customer-friendly on-boarding process offers a multitude of options to begin the home loan journey. Our branches, website, mobile application, helpline and social pages are equipped with the requisite information, online forms, calculators, application trackers and answers to key questions, which would help customers make informed decisions. Indiabulls e-Home Loans further eases the process by allowing one to apply anytime anywhere with just a few clicks.

### **A Simplified Process**

Indiabulls e-Home Loans Version 2.0 has further enhanced the convenience and speed of our home loan offerings. The platform synergises multiple technology platforms to provide features that simplify and make the home loan process more efficient. Features such as Aadhaar Card verification helps customers autofill their home loan application and also doubles as e-KYC. Customers can easily retrieve their documents from their digital lockers and also auto-retrieve their bank statements

through Perfios. These features are powered by One Go e-Sign, Unified Payment Interface, interactive pdf application forms and other digital advancements.

Customer Care executives and sales personnel too have similarly been equipped simultaneously to assist customers in their home loan process by uploading documents on their behalf and facilitating e-KYC and e-Signing formalities thus eliminating customer visits to the branch.

### **Easy Loan Management**

The disbursal of a loan is only the beginning of a long relationship with our customers. We ensure that for our customers their home loan management is as convenient as getting a home loan with us. We provide our customers with online account access through our mobile application or web service as a one-stop branch to manage their home loan from their phones. Customers can view their loan account summary, tax certificates, transaction history provide feedback and also apply for a top-up loan from their online home loan account. Our new age offerings are complemented by a traditional customer care team which is fully equipped to service any requirement of our customers.

## **TECHNOLOGY PARTNERS**

- UIDAI for e-Signature and e-KYC
- NSDL for Pan Verification
- Perfios for Auto-Retrieval of Bank Statements
- Digilocker for direct document upload
- Unified Payments Interface for online payment

# UNLOCKING SUSTAINABILITY WITH OPERATIONAL EFFICIENCY





***Our passion to scale greater heights is supported by pragmatism that ensures sustainability in all our business decisions. We dedicate the present on optimising strategies that will extend benefits in the future.***

***This year, we have focused on building an ecosystem powered by technology that can help us continuously evolve and stay ahead of the curve.***

## Going Mobile

At Indiabulls Housing Finance, our employees are our most valuable asset. We provide them with the best technology and tools to contribute in the most efficient manner.

Sales personnel are equipped with a mobile-app, which is integrated with our central systems, enabling them to execute all their operations on a mobile phone. It also provides a richer experience to our customers halving the processing time. Our technical team has modules in their mobile app with which they can appraise properties on the go.

The collections app has helped us reduce operational risks from human error through which collection executives can record collection transactions, generate e-receipts and have the data automatically updated on the central systems.

By going mobile, we have reduced the processing time tremendously. Digitising processes has enabled multiple departments to work on the same case simultaneously, thereby reducing cost and enhancing effectiveness many fold.

## Strategic Partnerships

As we work towards evolving our processes and increasing efficiencies, we have entered into partnerships with technology service providers and leveraged the strengths from these collaborations to create a comprehensive ecosystem.

We have tied up with the Unique Identification Authority of India (UIDAI) to allow for seamless e-KYC and e-Signing; the National Securities Depository Limited (NSDL) for PAN card

verification; Unified Payments Interface (UPI) for a faster payment system; Perfios for auto-retrieval of bank statements; and we are constantly adopting partnerships that enhance our offerings and increase our effectiveness.

## Smarter Associate Integration

Business Associates form an integral part of the Indiabulls Housing Finance network as they are a healthy source for business. New systems have been developed to directly integrate with the systems of our associates, such that comprehensive lead information flows into our system seamlessly. It also eliminates duplicate work and reduces our response time.

## Seamless Execution

Data from various sources is captured by our central management system – Finone, which manages the end-to-end home loan life-cycle of a customer and provides us with a comprehensive loan servicing platform, enabling us to take better and faster credit decisions and reduce delinquencies.

By harnessing the competencies of various processes and technologies, we have created an ecosystem which integrates all departments and systems together. Our collective capabilities enhance business efficiency and provide consumers with a product that lives up to its promise.

## CORPORATE SOCIAL RESPONSIBILITY

**Indiabulls Housing Finance aims to positively influence the communities we work in. We are focused on providing need-based interventions through our corporate social responsibility arm Indiabulls Foundation. The foundation helps support inclusive growth by working in areas of health, education, sanitation, nutrition, rural development and arts and culture.**

### HEALTH

**We are involved with various initiatives to improve basic healthcare facilities for the economically-challenged sections of the society.**



#### **Jan Swasthya Kalyan Vahika (JSK)**

Jan Swasthya Kalyan Vahika is a community-centric project initiated by Indiabulls Foundation. The objective of this project is to provide free primary healthcare services to underprivileged section of society through medical vans. Currently, we operate 20 mobile medical vans in Mumbai, Thane, Raigad and Palghar districts of Maharashtra. The JSK programme has successfully diagnosed and treated more than 7,65,000 patients as of March 31, 2017.

#### **Charitable Clinics**

We operate four free medical clinics across Mumbai. These clinics cater to primary and preventive healthcare needs from economically weaker and underprivileged sections of society. They are equipped with best-in-class primary healthcare services, a well-qualified healthcare team and quality medicines. To date these clinics have successfully diagnosed and treated more than 1,22,000 patients.

#### **Cleft and Palate Surgeries**

We have partnered with Smile Train to help 1,800 children with surgeries of cleft or palate deformities across six states in the country. These surgeries correct facial deformities in children helping bring a new sense of being and confidence in these children.

#### **Supporting the ailing healthcare facilities**

We support various healthcare institutions provide better services to underprivileged people across the country.



**8,88,800+**

**UNDERPRIVILEGED PATIENTS SERVED WITH OUR HEALTHCARE FACILITIES.**

## RURAL DEVELOPMENT

Water conservation, sanitation and making water available in rural areas is an integral part of our social responsibility.



### Water Wheel

We have distributed more than 1,457 water wheels to the underprivileged tribal people of Raigad, Palghar and Thane districts in Maharashtra benefiting more than 7,700 villagers. The water wheel consists of a drum and a handle and can carry 45 litres of water per filling.

### Construction of Toilets

Taking the Government of India initiative of Swachh Bharat Abhiyan forward through our CSR arm, we constructed toilets for girls in government schools of Jodhpur. We also built toilets in public places in remote and backward areas in Maharashtra.

### Rainwater Harvesting

We have successfully provided potable water to a school in Latur, Maharashtra, for rural underprivileged children, through rainwater harvesting.

**7,700 +**

UNDERPRIVILEGED VILLAGERS BENEFITED FROM OUR WATER WHEEL INITIATIVE.

## ART AND CULTURE

We encourage the preservation of the rich Indian art and culture. Through our Foundation, we have extended support to the conservation of art and encouraged Indian artists and artisans with their work.

### Central Library of Audio Books in Indian Languages (CLABIL)

We have partnered with ESHA Foundation to create awareness about online library of ESHA as a self-help resource centre in Indian languages. The objective of this partnership is to reach out to visually challenged, print disabled and resource deprived individuals. More than 30,000 beneficiaries have been covered across the country.

**30,000 +**

PEOPLE REACHED ACROSS INDIA WITH CLABIL – AN ONLINE LIBRARY FOR VISUALLY CHALLENGED, PRINT DISABLED AND RESOURCE DEPRIVED INDIVIDUALS.



## A GLIMPSE INTO THE YEAR 2016-17



Milestone Celebrations



Indiabulls Housing Finance Public Issue of NCDs



Urban Stampede, Corporate Relay



Zonal Sales Meet



Holi Celebrations



Employees Family Holiday



ET Housing Finance Summit



Womens Day Celebrations





Senior Management Conclave, Copenhagen



Indiabulls Home Loans Vasai Virar Mayors Marathon



Inter-corporate Cricket Tournament



Christmas Celebrations



Property Exhibition



Inter-corporate Football Tournament



## EXECUTIVE MANAGEMENT TEAM



**Gagan Banga**

Vice Chairman,  
MD & CEO



**Ajit Mittal**

Executive Director



**Ashwini Kumar**

Deputy Managing  
Director



**Sachin Chaudhary**

Chief Operating  
Officer



**Mukesh Garg**

Chief Financial Officer



**Nafees Ahmed**

Chief Information Officer



**Ashwin Mallick**

Head, Treasury



**Rajiv Gandhi**

Head, Commercial Credit



**Ramnath Shenoy**

Head, Analytics &  
Investor Relations



**M. S. Walia**

National Sales Head,  
Home Loans



**Ripudaman Bandral**

National Sales Head,  
LAP

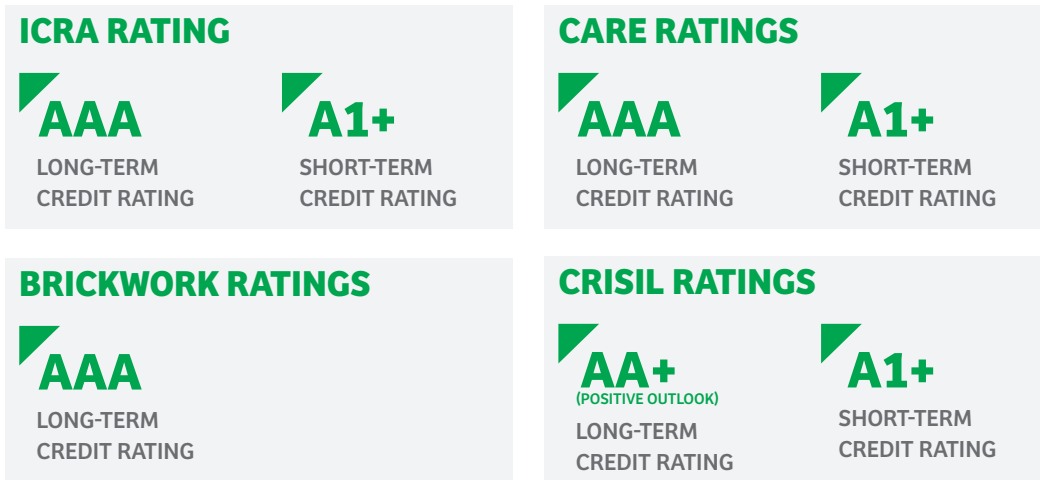


**Somil Rastogi**

Head, Credit Retail

# RECOGNISED FOR ALL ROUND GROWTH

## RATINGS



## COMPANY HONOURS



## MANAGEMENT HONOURS

- Gagan Banga named amongst India's Most Valuable CEO's by BW Businessworld
- Ashwini Kumar Hooda felicitated with the 'Vocational Excellence Award' by The Rotary Club of Mumbai
- Nafees Ahmed named amongst India's Top 50 CIO's by Dell EMC and CIO Association of India

## FROM THE CHAIRMAN'S DESK



**Sameer Gehlaut**  
Founder and Executive Chairman

### Dear Shareholders and Friends,

It gives me great pleasure in sharing that your Company notched up many key achievements during the year gone by in our quest to build a gold-standard mortgage lending business. The macro-economic environment for affordable housing has never been better. Government agencies, in concerted action with sectoral regulators, unveiled a slew of measures to achieve the mission of 'Housing for all by 2022'. The fillip came from this year's budget, which offered lucrative tax and interest concessions for the affordable housing segment, as a result of which it is expected to grow at 25%.

#### New milestones

IBHFL's long-term credit rating was upgraded to the highest 'AAA' by ICRA, the Indian arm of the leading international rating agency Moody's. IBHFL is now one among a handful of Indian companies that enjoy the highest AAA credit rating on its standalone strength without sovereign support or support of a larger parent or promoter group.

During the course of the year, the Company's balance sheet size grew past the landmark ₹ 1 lakh crores to close the year at ₹ 1.04 lakh crores. As we grew in size and scale, the Company's stock got included in the bellwether Nifty 50 index, underlining investors' trust and your Company's consistent performance. Needless to say, we shall not rest on these laurels but redouble our efforts to vindicate the trust reposed in the Company.

#### Macroeconomic scenario and housing sector

India is set to overtake China as the world's most populous nation by 2021. By then, the country will be home to more than one of every six persons in the world. This fast growing population brings with it many socio-economic challenges, not the least of which is housing.

The housing sector, and the larger real estate sector, has a significant growth multiplier effect on the economy as it generates a high level of direct employment and stimulates demand in over 250 ancillary industries. Through its mission of 'Housing for all by 2022', the government has aligned policies and fiscal incentives to promote the housing industry. Last year, the Prime Minister meaningfully expanded the coverage of interest rate subsidies under the Credit Linked Subsidy Scheme (CLSS) of the Pradhan Mantri Awas Yojana (PMAY) to mid-income housing. Now, households with an annual income of up to ₹ 18 lakhs are eligible for an upfront subsidy of up to ₹ 2.3 lakhs. Factoring in tax deduction against home loan repayments, which was increased last year to ₹ 4 lakhs, the effective interest rate for a home loan availed to purchase an average mid-income bracket house of is now at near-zero levels. For the first time in the country's history, the effective home loan rate is vastly lower than the rental yield and there has never been a more compelling case for purchase as against renting.

Increased supply of houses at affordable price points is crucial to increase house ownership. This year, the government clarified and eased the eligibility criteria for availing of 100% corporate tax exemption for construction of affordable housing, which was first announced in the budget of 2016. This multiplies the margins for developers from mid-income affordable housing and this segment has now begun attracting considerable interest from large, established and organised developers. The tax exemption will help bring down costs for end-customers, significantly enhancing affordability.

Affordable housing has been granted infrastructure status enabling housing financiers to raise monies as External Commercial Borrowing (ECB) up to USD 750 Mn under the automatic route. Both SEBI and IRDA increased the investment limits for mutual funds and insurance companies for investments in highly rated housing finance companies like IBHFL. RBI slashed risk weights for lending to AAA rated HFCs to 20% from 100%, reducing the capital that banks are required to allocate for lending to HFCs, enabling lending rates to drop.

Tangible and concerted efforts by government agencies and various sectoral regulators have ensured that the macros for the housing sectors and housing finance sector have never been better. Your Company, with its right business model, product proposition, systems and operating framework, is ideally poised to make use of this opportunity and deliver superior returns to its shareholders.

#### Financial Performance

Your Company has turned in an excellent performance this year and has clocked healthy growth on all key financial parameters. The Company's balance sheet grew by 37.0% to ₹ 1,03,705 crores for the financial year ended March 31, 2017 as against ₹ 75,720 crores for the previous year. The Company reported a 26.8% increase in total revenue at ₹ 11,702 crores for the financial year ended March 31, 2017 as against ₹ 9,226 crores for the previous year. Profit after tax (PAT) for the year ended March 31, 2017 has increased to ₹ 2,906 crores from ₹ 2,345 crores, an increase of 24.0% over the last year. Outstanding loans under management grew by 32.9% to ₹ 91,301 crores from ₹ 68,683 crores a year earlier. The net interest income (NII) has grown by 25.4% to ₹ 4,768 crores. Return on equity (RoE) works out to 26% with earnings per share (EPS) of ₹ 68.80 (₹ 59.84 previous year).

**37.0%**  
GROWTH IN  
BALANCE SHEET  
IN FY17

**26.8%**  
GROWTH IN  
TOTAL REVENUE


**₹ 29 Bn**  
 PAT  
 FY17


**₹ 68.80**  
 EARNINGS PER SHARE  
 FY17

With a CRAR of 20.97%, we are one of the best capitalised housing finance companies. With accruing profits, your Company ended with a consolidated net worth of ₹ 12,055 crores this fiscal year. Our rating upgrade to AAA by ICRA, along with comfortable liquidity and healthy capitalisation, has further enhanced our fund raising capabilities. During the year, we raised over ₹ 48,048 crores through debentures and securities, up from ₹ 26,187 crores in March 2016. Among its lenders, the Company now counts 375 strong relationships: 26 PSU banks, 20 private and foreign banks and 329 mutual funds, provident funds, pension funds, insurance companies and others.

An important risk mitigation strategy is the healthy level of liquidity that we maintain. Cash and bank balances and current investment of the Company added up to over ₹ 18,500 crores at the end of FY 17.

Focus on home loans and expanding scale has helped our Company continually bring down cost-to-income ratio, which is down to 13.3% in FY 2016-17 from 14.3% in FY 2015-16 and 16.4% in FY 2014-15. As the proportion of home loans within the total loan assets increases, cost-to-income ratio shall continue to decline. NPAs continue to remain within the target range. Our Gross NPA and Net NPA stood at 0.85% and 0.36% respectively at the end of FY 17. The total provision pool, including floating and standard asset provisions, stood at ₹ 1,149.1 crores as on March 31, 2017, compared to ₹ 831.5 crores last year.

#### Rewarding shareholders

Our shareholders have been our steadfast allies along this fascinating journey, and in keeping with our philosophy of rewarding them for their loyalty and support, the Company, during FY 2016-17 made a dividend pay-out of ₹ 27/- per equity shares (three interim dividends of ₹ 9/- each, with a total outflow of ₹ 1,375 crores, including Corporate Dividend Tax). This was in addition to an interim dividend of ₹ 9/- per equity share, declared in the month of March, 2016, resulted an outflow of ₹ 460 crores (including CDT).

#### Subsidiaries' Performance

The performance of our subsidiaries and associate companies was heartening, validating our key investment decisions. IBAMC, our mutual fund, crossed an AUM of ₹ 10,000 crores

for the first time. IBAMC now manages seven debt and three mutual fund schemes.

Our UK associate, OakNorth Bank, has turned in a stellar performance. The bank achieved cash break-even in record time, ahead of initial projections and in a considerably shorter span of time than its peer challenger banks. OakNorth Bank now has a loan book of over GBP 400 million and this is projected to cross GBP 1 billion by 2018. Validating IBHFL's valuation, within 18 months of our investment OakNorth Bank raised equity capital at a valuation that was 50% higher

#### Diversifying and expanding our funding sources

Our liability franchise remains the engine fuelling our growth and continues to move from strength to strength. Our bond franchise gained further traction and at the end of FY 2016-17 debentures and securities contributed to 51% of the Company's funding sources. The Company has diversified its borrowing sources by venturing into new markets and new instruments, further reducing its reliance on domestic bank borrowings.

During the year, the Company successfully completed its inaugural public issue of non-convertible debentures of ₹ 7,000 crores. The Company also tapped the international debt capital markets by being only the second Housing Finance Company (HFC) from India to raise USD 200 million of masala bonds. The Company also raised External Commercial Borrowings (ECB) of USD 200 million and refinanced existing ECBs of USD 150 million.

#### Technology key to our growth

As we enter a period where technology increasingly redefines traditional business models, IBHFL is poised to leverage its first mover advantage of being one of the pioneers in the tech-space in the industry. Greater customer convenience and operational effectiveness led by the effective deployment of technology and decentralisation of work processes has been the driving force behind IBHFL's endeavours this year. This has been enabled through partnerships with multiple third parties, both government and private, to leverage synergies with the said associations and provide a truly world-class product with seamless customer experience.

With the introduction of Indiabulls eHome Loans – India's first completely online home loan product/platform – we have revolutionised the home loan experience in its entirety. A customer can from the comfort of his/her home or office, apply for a home loan, have all documents uploaded and receive the disbursed amount within the promised time period.

Our pioneering technology-led efforts were recognised by the industry and peers alike through awards such as 'BFSI Digital Innovators Award by the Indian Express Group' and 'The




**7,65,000**

**PATIENTS TREATED WITH  
HELP OF MOBILE MEDICAL**

Leaders Award by Zee Business and This Week Group'. The Group CIO, Mr. Nafees Ahmed was also recognised as one of India's top 50 CIOs by the CIA Association of India.

### Corporate Social Responsibility

We are conscious of our responsibility towards the environment and work towards sustainability through our Environmental Management System (EMS). We assess the environmental cost of the Company's services and activities, and seek to reduce or eliminate negative impact, and increase their positive effects. Our EMS framework is guided by ISO 14001:2015, which specifies processes and checks to monitor and correct our impact on the environment. The certification helps us document our process from an environmental perspective and importantly, gives us a means to measure and minimize the environmental impact of our operations.

The group's CSR arm, Indiabulls Foundation, has focused on areas like healthcare, education, art and culture, nutrition, sanitation and rural development. In healthcare, three more mobile medical vans have been added this year taking the total to 20. This project has helped diagnose and treat 765,000 patients. Cleft and palate surgeries were successfully performed on 600 underprivileged children across the country. Four free medical clinics were set up where over 119,000 patients were treated.

Indiabulls Housing Finance Limited through Indiabulls Foundation partnered with ESHA, a non-profit organisation working with the visually challenged, to provide appropriate educational tools to the visually challenged and resource deprived individuals. More than 47,000 beneficiaries were covered across the country. The Foundation also contributed 1,000 computers to tribal ashram schools, night schools and shelter homes across Maharashtra. Scholarships were offered to over 600 meritorious students to enable them to pursue higher studies. Under the Government of India's Swachh Bharat Abhiyan, Indiabulls Housing Finance Limited through Indiabulls Foundation constructed toilets for girls at government-aided schools in Western India.

The Foundation has been actively providing nutrition supplements to 5,000 malnourished individuals every month and regularly monitors their health status, covering over 85,000 children till date. It provided round-the-clock seamless electricity from the renewable energy plant it set up to five tribal ashram schools, benefiting 3,400 tribal students every year.


**11**

**MOBILE MEDICAL  
VANS ADDED IN FY 17**

### Human Resources and training

As business continues to grow at a steady pace amidst greater consumer expectations, the human resource department's responsibility of nurturing the potential of employees is also greater. With digitisation of the HR function we have made further progress towards creating an environment that fosters learning and growth.

We continue to deepen our relationship with campuses across the country to hire fresh talent. Our talent acquisition programme is also continually focussed on hiring best in class lateral talent. The HR department, along with senior employees across other departments, is invested in developing internal talent and performing employees are given enhanced job responsibilities in your fast growing Company.

For our vast sales force we now have an online learning platform built around 'gamified' modules to make them more involved. The HR department is also focussed on ensuring good work-life balance and the general health and well-being of employees. Towards this, IBHFL participates in many health awareness activities like 'Get Fit Go', health check-ups for women employees, Puma Urban Stampede, Vasai-Virar Marathon, etc.

### The Path Ahead

India is on strong economic footing and has a government at the helm that is committed to reforms. The government's particular focus on housing and the country's strong macro-economic fundamentals have converged to open up a period of immense opportunity for the housing sector. IBHFL is coming off a period of consistent performance and has every component aligned to make the most of the opportunity. I am glad to have you all along on this exciting journey.

I would like to conclude by extending my heartfelt thanks to team Indiabulls, our customers, bankers, regulators and other stakeholders, without whose support all these achievements would not have been possible.

Thank you!

### Sameer Gehlaut

Founder and Executive Chairman

## DIRECTORS' REPORT

### Dear Shareholders,

Your Directors have pleasure in presenting the Twelfth Annual Report together with the audited statement of accounts of the Company for the financial year ended March 31, 2017.

### Financial Results

The standalone financial highlights of the Company, for the financial year ended March 31, 2017, are as under -

Amount (in ₹)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Profit before Depreciation and amortisation expense	37,014,925,722	30,725,976,054
Less: Depreciation and amortisation expense	207,100,504	193,714,873
Profit before Tax	36,807,825,218	30,532,261,181
Less: Total Tax expense	8,383,998,238	7,591,022,620
Profit for the Year	28,423,826,980	22,941,238,561
Add: brought forward balance	1,133,086,433	4,239,111,217
Add: Transitional Adjustment on account of Interest Rate Swaps	121,991,338	-
<b>Amount available for appropriation</b>	<b>29,678,904,751</b>	<b>27,180,349,778</b>
<b>Appropriations:</b>		
Interim Dividend paid on Equity Shares (₹ 27.00 Per Share (Previous Year ₹ 45.00 Per Share))	11,421,235,467	17,829,374,499
<b>Corporate Dividend Tax on:</b>		
Interim Dividend paid on Equity Shares	2,318,905,265	3,629,641,133
Transferred to Reserve III (Reserve U/s 36(1) (viii), Considered as eligible transfer to Special Reserve U/s 29C of the National Housing Bank Act, 1987)	3,350,000,000	2,620,000,000

Transferred to Reserve I (Special Reserve U/s 29C of the National Housing Bank Act, 1987)	2,334,765,396	1,968,247,713
Transferred to Additional Reserve (U/s 29C of the National Housing Bank Act, 1987)	2,500,000,000	-
Transferred to General Reserve	1,330,000,000	-
Transferred to Debenture Redemption Reserve	1,702,087,881	-
<b>Balance of Profit Carried Forward</b>	<b>4,721,910,742</b>	<b>1,133,086,433</b>

### KEY FINANCIAL HIGHLIGHTS: FY16-17 (Consolidated)

	FY 16-17	FY 15-16	Growth (%)
Total Revenues (₹ Cr.)	11,701.7	9,225.6	26.8
NII (₹ Cr.)	4,767.6	3,801.8	25.4
PAT (₹ Cr.)	2,906.4	2,344.7	24.0
EPS (₹)	69	60	15.0

### FINANCIAL AND OPERATIONAL HIGHLIGHTS

#### Rating Upgrades

- In June 2017, the Company's credit rating was upgraded to the highest long-term rating of AAA by ICRA, the Indian arm of the leading international credit rating agency Moody's.
- The Company now enjoys the highest long-term credit rating of AAA from three rating agencies.
- During FY 2016-17, the subordinate-debt rating of Indiabulls Housing Finance Ltd. (IBHFL) also got upgraded to AAA by CARE Ratings.

#### Business Update

- In FY 2016-17, the Company's balance sheet size crossed the landmark ₹ 1,00,000 Crore to close the year at ₹ 1,03,705 Crore.
- The Company continues to be focused on mid-income affordable housing and propelled by the growth in this segment, the Company's total loan assets grew to ₹ 91,301 Crore, up 33% from ₹ 68,683 Crore as at the end of FY 2015-16.
- Total sold down loan assets stood at ₹ 8,687 Crore at the end of FY 2016-17. Sell down increases the Company's operational flexibility enabling efficient utilization of

capital, besides being RoE accretive.

- The Company's cost to income ratio declined to 13.3% for FY 2016-17 from 14.3% the previous year. Increasing share of home loans through the online eHome Loan platform will further hasten the decline in cost to income ratio.

#### Home Loans: Digitally Enabled Streamlined Loan Fulfillment

- In the first half of the year, the Company launched a global-first online end-to-end home loans fulfillment platform called eHome Loans.
- By the end of the financial year, eHome Loans was already contributing to 20% of home loan sourcing, driving the decline in cost to income ratio.
- Key customer facing departments and workflow process are ISO certified ensuring superior and standardized customer experience.
  - ISO 10002:2014 – Customer care and complaint resolution
  - ISO 9001:2015 – Loan operations; credit underwriting; administration; human resources
  - ISO 14001:2015 – Environmental management services
  - ISO 27001:2015 – IT infrastructure operations, network operations, application development and maintenance, and data centre
- The Company has a well-trained, in-house Direct Sales' Team of over 3,000 employees to promptly attend to prospective customers.
- A multi-lingual customer care centre accessible by phone, chat, SMS or email addresses customer queries and complaints.

#### Stable Asset Quality

- Gross non-performing loans as at March 31, 2017 amounted to ₹ 777.2 Cr. This is equivalent to 0.85% of the portfolio.
- Net non-performing loans as at March 31, 2017 amounted to ₹ 328.6Cr. This is equivalent to 0.36% of the portfolio.
- The Company has a prudent approach to creating loan provisions and carries total provisions across standard assets provision and sub-standard asset provisions of ₹ 1,149.1 Cr.
- Total provisions over gross NPAs was 148%.
- An experienced underwriting team and the in-house sourcing and collection teams ensure control over loan sourcing, credit appraisal and portfolio quality.

#### Strengthening Liability Profile

- Total borrowings of the Company grew by 40% to

₹ 85,301 Crore at the end of FY 2016-17 from ₹ 61,085 Crore at the end of FY 2015-16.

- In FY 2016-17, the Company tapped the foreign institutional market by issuing USD 200 Mn of rupee-denominated masala bonds.
- For the first time, the Company undertook public issue of bonds raising ₹ 7,000 Crore in FY 2016-17.
- During the year, the Company raised USD 350 Mn through the ECB route.
- In keeping with IBHFL's philosophy of maintaining adequate and healthy levels of liquidity, the Company had ₹ 18,502 Crore of liquid funds in the form of cash, cash equivalent and investment in liquid schemes of mutual funds.
- Through the year, the Company expanded its lender base and by the end of FY 2016-17 the Company has 375 strong relationships: 26 PSU banks, 20 Private and Foreign banks and 329 Mutual Funds, Provident Funds, Pension Funds, Insurance Companies and others.

#### Bank Borrowings

As at March 31, 2017, the Company's outstanding bank loans stood at ₹ 34,659 Crore vis-à-vis ₹ 33,571 Crore as at March 31, 2016. Bank borrowings' contribution to funding mix continued its downward trajectory with only 37% of total funding coming from bank term loans. The Company's bank borrowings continue to enjoy a rating of AAA, signifying the highest degree of safety regarding timely servicing of financial obligations. AAA rated instruments carry lowest credit risk.

#### Debentures and Securities

FY 2016-17 saw a continuing shift in the Company's funding sources as bonds continued to be the cheapest source of funds. Accordingly, 87% of the incremental borrowings for the year were from debentures and securities. As at March 31, 2017, the Company's outstanding borrowings from debentures and securities stood at ₹ 48,048 Crore vis-à-vis ₹ 26,187 Crore as at March 31, 2016. The Company's secured NCDs have been listed on the Wholesale Debt Market segment of NSE / BSE and have been assigned AAA (stable) rating from ICRA, a Moody's investor Service Company, CARE and Brickwork Ratings.

As at March 31, 2017, the Company's outstanding subordinated debt and perpetual debt stood at ₹ 1,763 Crore and ₹ 100 Crore respectively. The debt is subordinate to present and future senior indebtedness of the Company and has been assigned the 'AAA' rating by CARE and Brickworks Ratings. Based on the balance term to maturity, as at March 31, 2017, ₹ 1,907.1 Crore of the book value of subordinated and perpetual debt is considered as Tier II under the guidelines issued by the Reserve Bank of India (RBI) and National Housing Bank (NHB) for the purpose of capital adequacy computation.

There are no NCDs which have not been claimed by the

investors or not paid by the Company after the date on which the NCD became due for redemption.

### **Regulatory Guidelines / Amendments**

The Company is in compliance with all regulations pertaining to Accounting Standards, Prudential norms for asset classification, income recognition, provisioning, capital adequacy and credit rating.

### **Risk Management Framework**

The Company has an effective Risk Management Framework in place to manage the risks faced in the course of its business. The Risk Management Framework encompasses all of the Company's activities paving a path towards the Company becoming a stable, scalable and sustainable business.

The Company's Risk Management Committee (RMC) comprises of its directors and members of its senior management team, who have several years of experience in the industry and have put in place preventive mechanisms to contain various risks. The RMC met multiple times during the year ending March 31, 2017 continuously monitoring emergent risks the Company was exposed to. The RMC put in place or enhanced the control measures to contain these risks. Systems, policies, processes and procedures are reviewed on an ongoing basis to contain and mitigate emergent risks.

### **Codes and Standards**

The Company adheres to the Fair Practices Code (FPC) recommended by sector regulator, the National Housing Bank (NHB) as well as the RBI, put in place to promote good and fair practices by setting minimum standards in dealing with customers. The NHB also has issued comprehensive Know Your Customer (KYC) Guidelines and Anti Money Laundering Standards in the context of recommendations made by the Financial Action Task Force on Anti Money Laundering Standards.

### **Cross Selling and Distribution of Financial Products and Services**

The FY 2016-17, saw the Company further increase its 'Smart City Home Loans' branch network, deepening reach into tier II and tier III towns and cities. A digitally enabled online workflow system helps the Company expand into these locations in a cost-effective manner. The online workflow system permits operation of lean branches where loan application files are compiled, scanned and digitally logged in. The file travels digitally and credit underwriting is centralized at regional hubs.

State-of-the-art Customer Care set up helps speedy resolution of customer queries and promptly attends to any loan requirements. Survey calling, where feedback is taken from existing and new customers, also helps in continuous process improvement and generation of new leads.

### **Training and Human Resource Management**

Trainings for more than 5,000 employees were conducted

in the last financial year covering various aspects such as sales excellence, leadership, usage of digital media, customer service, data analysis, credit risk analysis, etc. Majority of the employees attended multiple sessions based on their job profile. We have state of the art training facility at our Head Office at Gurugram, spread over 2300 sq. ft. and at our corporate office at Parel, Mumbai, spread over 11,000 sq.ft. where periodic training sessions are organized by the Training Department.

### **Dividend**

In keeping with the Company's policy of rewarding its shareholders, the Board of Directors of the Company, had, for the year 2016-17, declared three interim dividends aggregating to ₹ 27/- per share on shares of face value ₹ 2/- each (₹ 9/- for each), with the total outflow of ₹ 1,374.6 Cr (inclusive of Corporate Dividend Tax).

The Board of Directors of the Company, had in its meeting held on April 24, 2017 declared an interim dividend of ₹ 9/- per share of face value of ₹ 2/- each, for the Financial Year 2017-18. Further, the Board of Directors of the Company, had, in its meeting held on July 24, 2017, declared second interim dividend of ₹ 9/- per share of face value of ₹ 2/- each, for the FY 2017-18.

During the year, the unclaimed dividend pertaining to the FY 2008-09, got transferred to Investor Education and Protection Fund after giving due notice to the members. Those members who have not so far claimed their dividend for the financial years subsequent to 2008-09, are also advised to claim it from the Company or Karvy Computershare Private Limited, the Registrar & Transfer Agent (RTA).

In compliance with requirements stipulated vide SEBI notification no. SEBI/ LAD-NRO/GN/2016-17/008 dated July 8, 2016, the Dividend Distribution Policy of the Company is available on the website of the Company i.e. [www.indiabullshomeloans.com](http://www.indiabullshomeloans.com).

### **DIRECTORS**

To achieve the highest standards of Corporate Governance in its management, and to introduce a true sense of professionalism in the Board of the Company and to ensure continuity of guidance, during the FY 2016-17, the existing Independent Directors namely Justice Bisheshwar Prasad Singh (Retd. Justice Supreme Court of India) (DIN: 06949954), Brig Labh Singh Sitara (Ex-army official and Dhyanchand award winner sportsman) (DIN: 01724648), Mr. Shamsher Singh Ahlawat (DIN: 00017480) and Mr. Prem Prakash Mirdha (DIN: 01352748), were appointed as Independent Director w.e.f. September 29, 2016. Further, Justice Gyan Sudha Misra (Retd. Justice Supreme Court of India) (DIN: 07577265) was appointed as an Independent Director of the Company w.e.f. September 29, 2016. Further pursuant to authorization dated September 29, 2014, of the members of the Company, the two year term of Justice Surinder Singh Nijjar (Retd. Justice Supreme Court of India) (DIN: 06964806),

as Independent Director of the Company, comes to an end effective on September 28, 2016. The Board places on record its appreciation for the contribution made by Justice Nijjar, during his tenure on the Board of the Company.

In accordance with the provisions of Section 152 of the Companies Act, 2013 (Act) and in terms of the Memorandum and Articles of Association of the Company, Mr. Ajit Kumar Mittal (DIN: 02698115), Executive Director and Mr. Ashwini Omprakash Kumar (DIN: 03341114), Deputy Managing Director of the Company, retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offer themselves for reappointment. Further, The existing tenure of Mr. Sameer Gehlaut (DIN: 00060783) as a Whole Time Director and Key Managerial Personnel, designated as Executive Chairman and other Whole-Time Directors and Key Managerial Personnel, namely, Mr. Gagan Banga (DIN: 00010894), designated as Vice-Chairman, Managing Director & CEO; Mr. Ajit Kumar Mittal (DIN: 02698115) designated as Executive Director; and Mr. Ashwini Omprakash Kumar (DIN: 03341114) designated as Deputy Managing Director, shall come to an end on March 18, 2018. The Company has grown significantly under the leadership and guidance of all its Whole-time Directors. Keeping in view, their vast experience, knowledge and managerial skills, the Nomination & Remuneration Committee has recommended to the Board, the re-appointment of Mr. Sameer Gehlaut, Mr. Gagan Banga, Mr. Ajit Kumar Mittal and Mr. Ashwini Omprakash Kumar, Whole-Time Directors and Key Managerial Personnel, as such, for a further period of five years w.e.f. March 19, 2018. Further, Mr. Sachin Chaudhary (DIN: 02016992) was appointed by the Board of Directors as an Additional Director designated as Whole-time Director and Key Managerial Personnel of the Company for a period of 5 years with effect from October 21, 2016. The appointment/re-appointment of all these Whole-time Director(s) is in compliance with the applicable provisions of the Companies Act, 2013 and requires the approval of the shareholders at ensuing Annual General meeting. The Board recommends appointment/ re-appointment of all these Directors.

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 present composition of the Board along with the brief resume of the Directors proposed to be appointed/reappointed, nature of their expertise in specific functional areas, terms of appointment and names of companies in which they hold directorships and memberships/chairmanships of Board Committees, are provided in the Notice convening the 12th Annual General Meeting of the Company.

#### SHARE CAPITAL / ESOP SCHEMES

The paid up equity share capital of the Company as on March 31, 2017, was ₹ 847,712,080 comprising of 423,856,040 equity shares of ₹ 2/- each. Subsequently, from April 1, 2017 till date, the Company had allotted 491,560 equity shares of face value

₹ 2/- each against exercise of equivalent number of stock options under various ESOP Schemes of the Company, as a result of which the paid up equity share capital of the Company stands increased to ₹ 848,695,200 comprising of 424,347,600 equity shares of ₹ 2/- each.

The disclosures required to be made in compliance with the applicable regulations are set out in the Annexure to this Report and have been placed on the website of the Company <http://www.indiabullshomeloans.com>.

#### NON-CONVERTIBLE DEBENTURES AND MASALA BOND

##### (a) Issuance of INR 13,300,000,000 8.567 per cent. Secured Synthetic INR Notes due 2019 by the Company, listed at Singapore Exchange Securities Trading Limited

During the FY 2016-17, the Company has successfully raised ₹ 13,300 Million by issue of Secured Rupee denominated Masala Bonds bearing a coupon of 8.567% and having a tenor of 3 years and 1 month. These bonds are listed on Singapore Stock Exchange (SGX-ST).

##### (b) Issuance of Secured and Unsecured NCDs, by way of Public issue, having face value of ₹ 1,000 each for an amount aggregating to ₹ 70,000 million, listed at BSE and NSE

During the FY 2016-17, the Company has successfully raised ₹ 70,000 million by way of public issue of Secured and Unsecured NCDs having a face value of ₹ 1,000 each. The said NCDs are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

##### (c) Issuance of Secured and Unsecured NCDs, by way of Private Placement basis

During the FY 2016-17, the Company has successfully raised, by way of private placement, ₹ 10,741.50 Crore of Secured NCDs having a face value of ₹ 10,00,000 each, ₹ 3,200 Crore of Secured NCDs having a face value of ₹ 10,00,000 each {paid-up value ₹ 1,600 Crore, i.e. ₹ 5,00,000 per NCD paid-up (Initial Subscription Amount)} and ₹ 609.70 Crore Unsecured NCDs having a face value of ₹ 1,00,000 each. The said NCDs are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

##### (d) Details of NCDs which have not been claimed by the Investors

There are nil NCDs which have not been claimed by the Investors or not paid by the Company after the date on which these NCDs become due for redemption.

#### 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.

#### LISTING WITH STOCK EXCHANGES



The Equity Shares (ISIN INE148I01020) of the Company, continue to remain listed at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The listing fees payable to both the exchanges for the financial year 2017-18 have been paid. The GDRs issued by the Company continue to remain listed on Luxembourg Stock Exchange. The Secured Synthetic INR Notes are listed on Singapore Stock Exchange (SGX-ST). The NCDs issued under IPO and on Private Placement basis are listed on WDM segment of NSE and BSE.

## AUDITORS

### (a) Statutory Auditors

In compliance with the applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the existing term of M/s Deloitte Haskins & Sells LLP (Firm Regn. No. 117366W/W-100018), Chartered Accountants, as the Statutory Auditors of the Company shall come to an end at the conclusion of the ensuing Annual General Meeting of the Company. The Board places on record its appreciation for the services rendered by M/s. Deloitte Haskins & Sells LLP as the Statutory Auditors of the Company.

The Board, on the recommendation of the Audit Committee, have recommended for the appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Registration No.: 301003E/E300005), as the Statutory Auditors of the Company for a term of 5 years, subject to ratification of their appointment by the members at every intervening Annual General Meeting held after this Annual General Meeting. Consent and certificate under Section 139 of the Companies Act, 2013 have been obtained from M/s S.R. Batliboi & Co. LLP, Chartered Accountants, to the effect that their appointment, if made, shall be in accordance with the applicable provisions of the Act and the Rules issued thereunder. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s S.R. Batliboi & Co. LLP, Chartered Accountants, has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI. The Notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further explanation.

### (b) Secretarial Auditors & 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 M/s Neelam Gupta & Associates, a firm of Company Secretaries in practice as its Secretarial Auditors, to conduct the secretarial audit of the Company, for the FY 2016-17. The Company has provided all assistance, facilities, documents, records and clarifications etc. to the Secretarial Auditors for conducting their audit. The Report of Secretarial Auditors for the FY 2016-17, is annexed as "Annexure 1" and forming part of this Report. The Report is 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 in the areas of Health, Education, Sanitation, Nutrition and Rural Development, as per its CSR Policy (available on your Company's website <http://www.indiabullshomeloans.com/>) and the details are contained in the Annual Report on CSR Activities given in "Annexure 2", 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 Regulations, Management's 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 24 of the SEBI LODR Regulations, a separate section on Corporate Governance Practices followed by the Company, together with a certificate from a practicing Company Secretary confirming compliance, is presented in a separate section forming part of this Annual Report.

## BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34 of the SEBI LODR Regulations 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 this regulation, BRR is presented in a separate section forming part of this Annual Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) that in the preparation of the annual financial statements for the year ended March 31, 2017, 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, 2017 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) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that such financial controls were adequate and were operating effectively; and
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### **INFORMATION PURSUANT TO SECTION 134 AND SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH THE RELEVANT RULES AND SEBI LODR REGULATIONS**

The information required to be disclosed pursuant to Section 134 and Section 197 of the Companies Act, 2013 read with the relevant rules (to the extent applicable) and SEBI LODR Regulations, not elsewhere mentioned in this Report, are given in "Annexure A" forming part of this Report.

#### **GREEN INITIATIVES**

The Company's Environmental Management System (EMS) focuses on assessing the environmental cost of the Company's services and activities, and seeks to reduce or eliminate the negative impact and increase their positive effects.

The ISO 14001:2015 specifies the requirements for EMS such that the negative environmental impact is minimized and overall environmental performance improves. ISO 14001 is a systematic framework that checks adherence to environmental performance standards and also seeks to continuously improve it.

Environmental sustainability is important to the Company and is one of the reasons behind the Company's push to digitize its processes. Amongst its peers, the Company has taken the lead in introducing an end-to-end online home loan application and fulfillment platform, doing away with the traditional pen and paper process which also involved physical transfer of

loan application files. The ISO 14001:2015 certification helps the Company document its process from an environmental perspective and importantly, gives it a means to measure and minimize the environmental impact of its operations.

Electronic copies of the Annual Report 2017 and Notice of the 12th AGM are 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 2017 and Notice of the 12th AGM are 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 12th AGM. This is pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI LODR Regulations. The instructions for remote e-voting are provided in the Notice convening the 12th AGM.

#### **ACKNOWLEDGEMENT**

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

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

Sd/-

**Gagan Banga**  
Vice-Chairman,  
Managing Director

Date: July 24, 2017

Place: Mumbai

& CEO

(DIN: 00010894)

Sd/-

**Ajit Kumar Mittal**  
Executive Director

(DIN: 02698115)

**Annexure – A****ANNEXURE FORMING PART OF THE DIRECTORS REPORT****EXTRACTS OF ANNUAL RETURN**

The details forming part of extracts of Annual Return, as at the financial year ended March 31, 2017, pursuant to Section 92(3) of the Companies Act, 2013, in form MGT-9, are given in “Annexure 3” forming part of this Report.

**BOARD MEETINGS**

During the FY 2016-17, 5 (five) 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 Regulations, were circulated to all directors, well within the prescribed time, before the meeting or placed at the meeting. During the year, separate meeting of the Independent Directors was held on January 20, 2017, without the attendance of Non-Independent Directors and the members of the Company Management.

**BOARD EVALUATION**

Pursuant to the applicable provisions of the Companies Act, 2013 and Regulation 17 of the SEBI LODR Regulations, the Board has carried out an evaluation of its performance, the directors individually as well as the working of its Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report forming part of this Annual Report.

**REMUNERATION POLICY**

The Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report forming part of this Annual Report.

**LOANS, GUARANTEES OR INVESTMENTS**

During the FY 2016-17, 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. Further, the Company, being a housing finance company, loans given, guarantees provided and investments made by it, were not covered under the provisions of Section 186 of the Companies Act, 2013.

**RELATED PARTY TRANSACTIONS**

All the related party transactions, entered into by the Company, during the financial year, were in its ordinary course of business and on an arm's length basis. There are no materially significant related party transactions entered by the Company with its Promoters, Key Management 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 is available on the website of the Company (<http://www.indiabullshomeloans.com/>). Further, Policy for Dealing with Related Party Transactions is enclosed as Annexure – 5 and is also available on the website of the Company (<http://www.indiabullshomeloans.com/>).

**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 at all branch offices 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**

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, 2017 and the date of this Report.

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

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

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

### A. Conservation of Energy

The Company is ISO 14001:2015 certified for its Environmental Management Systems (EMS). The Company's EMS measures the environmental costs of its services and activities, and seeks to minimize the negative effects and improve the positive aspects.

Consumption of electricity and its' efficient utilization is an important area of EMS and the Company has taken many steps to reduce its carbon footprint on this front.

The Company is presently in the process of replacing all of its lighting systems with LEDs, which is expected to slash related electricity consumption by over 50%.

The Company's air conditioning systems have the highest 5-star energy conversation rating. The Company has also installed automatic power controller to optimize energy usage. As a part of its regular cost review, the Company assesses its energy conservation policies and evaluates new measures. The Company also conducts periodic awareness and training sessions for employees on ways to conserve energy in their individual roles.

### B. Technology Absorption

The Company invests in cutting edge technologies to upgrade its infrastructure set up elevating service standards and employee efficiency. Next Generation Business Intelligence and analytics tools have been implemented to ensure that while data continues to grow, decision makers gets answers faster for timely and critical level decision making. The Company has implemented best-of-the-breed 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 has taken major initiatives for improved employee experience, by implementing innovative solutions and empowering them by providing mobile platform to manage their work while on the go.

The Company's investment in technology has improved customer services, reduced operational cost and development of new business opportunities.

### C. Foreign Exchange Earnings and Outgo

During the year under review, your Company had an aggregate of foreign exchange earnings of ₹ 0.29 Cr. and foreign exchange outgo of ₹ 121.62 Cr. The details of earnings and outgo are shown in the Note No. 32 (a) and 32 (b) respectively, of Notes to the Accounts, forming part of the Standalone Financial Statements. Members are requested to refer to these Notes.

### BUSINESS RISK MANAGEMENT

Pursuant to the applicable provisions of the Companies Act, 2013 and Regulation 21 of the SEBI LODR Regulations, the Company has in place a Board constituted Risk Management

Committee. Details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of this report.

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

### PARTICULARS OF EMPLOYEES

Pursuant to the applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures on Managerial Remuneration are provided in "Annexure 4" forming part of this Report. In terms of the provisions of Section 136(1) of the Companies Act, 2013 read with the said rules, the 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 or at its Corporate Office, at Gurugram, during business hours on working days of the Company up to date of ensuing Annual General Meeting.

### FAMILIARISATION PROGRAMME FOR NON EXECUTIVE DIRECTORS

Non-Executive Directors are familiarised 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' and 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 non-executive directors including independent directors. The details of the familiarization programmes have been hosted on the website of the Company and can be accessed on the link: <https://www.indiabullshomeloans.com/>.

### 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 12th 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, 2017, form part of this Annual Report.



For the performance and financial position of each of the subsidiaries of the Company, included in its Consolidated Financial Statements, the Members are requested to refer to Note No. (1 vi.) of the Notes to the Accounts, of Consolidated 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.

During the year under review, Indiabulls Asset Reconstruction Company Limited, ceased to be a subsidiary of the Company w.e.f. October 3, 2016 and Indiabulls Asset Management Mauritius was incorporated on July 18, 2016.

#### **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 are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

- a) Asset Liability Management Committee (ALCO)
- b) Audit Committee
- c) Compensation Committee
- d) Corporate Social Responsibility (CSR) Committee
- e) Customer Grievance Committee
- f) Investment Committee
- g) Management Committee
- h) Nomination and Remuneration Committee
- i) Risk Management Committee
- j) Stakeholders Relationship Committee

The details with respect to the composition, powers, roles, terms of reference, etc. of relevant committees are given in details in the Corporate Governance Report forming part of this Annual Report.

#### **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 sexual harassment at the workplace and has 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 2016-17, no cases of sexual harassment were reported.

#### **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, 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 (<http://www.indiabullshomeloans.com/>).

## ANNEXURE TO DIRECTORS' REPORT

<b>IBHFL-IBFSL Employees Stock Option Plan – 2006 – As on March 31, 2017</b>	
<b>Particulars</b>	
a. Options Granted	1,440,000
b. Exercise price	1,045,000 options at ₹ 41.67 per Option 395,000 options at ₹ 95.95 per Option
c. Options vested	1,001,340 options at ₹ 41.67 per Option 276,500 options at ₹ 95.95 per Option
d. Options exercised	783,616 options at ₹ 41.67 per Option 237,000 options at ₹ 95.95 per Option
e. The total number of Shares arising as a result of exercise of option	783,616 options at ₹ 41.67 per Option 237,000 options at ₹ 95.95 per Option
f. Options lapsed	261,384
g. Variation in terms of options	Nil
h. Money realized by exercise of options	₹ 55,393,429/-
i. Total number of options in force	Nil options at ₹ 41.67 per Option 158,000 options at ₹ 95.95 per Option
j. Employee wise details of options granted to;	
i. Key managerial personnel	Mr. Gagan Banga - 395,000 Mr. Sachin Chaudhary - 48,000
ii. any other employee who received a grant of options in any one year of option amounting to 5% or more of option granted during that year	Nil
iii. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil
k. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with [Accounting Standard (AS) 20 'Earnings Per Share']	₹ 66.48
l. Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	Refer Note 3 of Notes to Accounts forming part of the Financial Statements.
m. Weighted – average exercise prices and weighted – average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	₹ 56.56
n. A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted – average information:	Refer Note 3 of Notes to Account forming part of the Financial Statements.
i. risk free interest rate	
ii. expected life	
iii. expected volatility	
iv. expected dividends, and	
v. the price of the underlying share in market at the time of option grant	

**ANNEXURE TO DIRECTORS' REPORT (Contd.)**

<b>IBHFL-IBFSL Employees Stock Option Plan II - 2006 – As on March 31, 2017</b>	
<b>Particulars</b>	
a. Options Granted	720,000
b. Exercise price	₹ 100
c. Options vested	329,929 options at ₹ 100 per Option 153,300 options at ₹ 100 per Option
d. Options exercised	239,513 options at ₹ 100 per Option 131,400 options at ₹ 100 per Option
e. The total number of Shares arising as a result of exercise of option	239,513 options at ₹ 100 per Option 131,400 options at ₹ 100 per Option
f. Options lapsed	245,143
g. Variation in terms of options	Nil
h. Money realized by exercise of options	₹ 37,091,300/-
i. Total number of options in force	103,944 options at ₹ 100 per Option
j. Employee wise details of options granted to;	
i. Key managerial personnel	Mr. Gagan Banga – 299,160
ii. any other employee who received a grant of options in any one year of option amounting to 5% or more of option granted during that year	Nil
iii. identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil
k. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with [Accounting Standard (AS) 20 'Earnings Per Share']	₹ 66.48
l. Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	Refer Note 3 of Notes to Accounts forming part of the Financial Statements.
m. Weighted – average exercise prices and weighted – average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	₹ 100
n. A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted – average information:	Refer Note 3 of Notes to Account forming part of the Financial Statements.
i. risk free interest rate	
ii. expected life	
iii. expected volatility	
iv. expected dividends, and	
v. the price of the underlying share in market at the time of option grant	

## ANNEXURE TO DIRECTORS' REPORT (Contd.)

<b>IBHFL-IBFSL Employees Stock Option – 2008 – As on March 31, 2017</b>	
<b>Particulars</b>	
a. Options Granted	7,500,000
b. Exercise price	6,702,250 options at ₹ 95.95 per option 367,350 options at ₹ 125.90 per option 230,400 options at ₹ 158.50 per option 200,000 options at ₹ 153.65 per option
c. Options vested	4,384,948 options at ₹ 95.95 per option 68,190 options at ₹ 125.90 per option 64,500 options at ₹ 153.65 per option 125,740 options at ₹ 158.50 per option
d. Options exercised	3,982,166 options at ₹ 95.95 per option 57,825 options at ₹ 125.90 per option 61,500 options at ₹ 153.65 per option 124,790 options at ₹ 158.50 per option
e. The total number of Shares arising as a result of exercise of option	3,982,166 options at ₹ 95.95 per option 57,825 options at ₹ 125.90 per option 61,500 options at ₹ 153.65 per option 124,790 options at ₹ 158.50 per option
f. Options lapsed	1,995,906 options at ₹ 95.95 per option 289,815 options at ₹ 125.90 per option 27,000 options at ₹ 158.50 per option 132,500 options at ₹ 153.65 per option
g. Variation in terms of options	Nil
h. Money realized by exercise of options	₹ 418,597,685/-
i. Total number of options in force	724,178 options at ₹ 95.95 per option 19,710 options at ₹ 125.90 per option 6,000 options at ₹ 153.65 per option 78,610 options at ₹ 158.50 per option
j. Employee wise details of options granted to;	
i. Key managerial personnel	Mr. Gagan Banga - 786,000 Mr. Ajit Kumar Mittal - 124,000 Mr. Sachin Chaudhary -250,000 Mr. Mukesh Kumar Garg - 200,000 Mr. Amit Jain - 30,000
ii. any other employee who received a grant of options in any one year of option amounting to 5% or more of option granted during that year	Nil
iii. identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil
k. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with [Accounting Standard (AS) 20 'Earnings Per Share']	₹ 66.48



**ANNEXURE TO DIRECTORS' REPORT (Contd.)**

<b>IBHFL-IBFSL Employees Stock Option – 2008 – As on March 31, 2017 (Contd.)</b>	
<b>Particulars</b>	
l. Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	Refer Note 3 of Notes to Accounts forming part of the Financial Statements.
m. Weighted – average exercise prices and weighted – average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	₹ 100.88
n. A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted – average information:	Refer Note 3 of Notes to Account forming part of the Financial Statements.
i. risk free interest rate	
ii. expected life	
iii. expected volatility	
iv. expected dividends, and	
v. the price of the underlying share in market at the time of option grant	

<b>IBHFL EMPLOYEES STOCK OPTION SCHEME – 2013 – As on March 31, 2017</b>	
<b>Particulars</b>	
a. Options Granted	10,500,000
b. Exercise price	₹ 394.75
c. Options vested	4,150,400
d. Options exercised	3,536,519
e. The total number of Shares arising as a result of exercise of option	3,536,519
f. Options lapsed	268,400
g. Variation in terms of options	Nil
h. Money realized by exercise of options	₹ 1,396,040,875/-
i. Total number of options in force	669,5081
j. Employee wise details of options granted to;	
i. Key managerial personnel	Mr. Gagan Banga - 1,000,000 Mr. Ajit Kumar Mittal - 441,000 Mr. Ashwini Omprakash Kumar - 500,000 Mr. Sachin Chaudhary -500,000 Mr. Mukesh Garg - 325,000 Mr. Amit Jain - 24,000
ii. any other employee who received a grant of options in any one year of option amounting to 5% or more of option granted during that year	Mr. Gagan Banga - 1,000,000

**ANNEXURE TO DIRECTORS' REPORT (Contd.)**

<b>IBHFL EMPLOYEES STOCK OPTION SCHEME – 2013 – As on March 31, 2017 (Contd.)</b>	
<b>Particulars</b>	
iii. identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil
k. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with [Accounting Standard (AS) 20 'Earnings Per Share']	₹ 66.48
l. Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	Refer Note 3 of Notes to Accounts forming part of the Financial Statements.
m. Weighted – average exercise prices and weighted – average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	₹ 394.75
n. A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted – average information:	Refer Note 3 of Notes to Account forming part of the Financial Statements.
i. risk free interest rate	
ii. expected life	
iii. expected volatility	
iv. expected dividends, and	
v. the price of the underlying share in market at the time of option grant	

**FORM NO. MR-3****Annexure - 1****SECRETARIAL AUDIT REPORT**

(For the Financial Year ended 31st March, 2017)

[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 HOUSING FINANCE LIMITED  
M-62 & 63, First Floor, Connaught Place,  
New Delhi - 110001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indiabulls Housing Finance Limited (hereinafter called "the Company"/ "IBHFL"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of IBHFL's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by IBHFL for the Financial Year ended on March 31, 2017 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
  - 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. 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 and Guidelines 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 (Not applicable to the Company during the Audit Period);
    - (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 (Not applicable to the Company during the Audit Period);
    - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);
    - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period); and
    - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - VI. The National Housing Bank Act, 1987, the Company being a Housing Finance Company, is also governed by this Act.

We have also examined compliance with the applicable clauses of the following:

    - (i) Secretarial Standards issued by the Institute of Company Secretaries of India covered under Companies Act, 2013;
    - (ii) The Listing Agreements entered into by the Company with Stock Exchanges.
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., stated herein above.
- We further report that:
- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-

Executive Director, Woman Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the applicable provisions of law.

- b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.
- c. Majority decision is carried through with the consent of all the Directors present in the meeting and members' views are captured and recorded as part of the minutes.

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

We further report that during the Audit period the Company has:

1. Declared and paid three Interim Dividends of Rs. 9/- each, aggregating to Rs. 27/- per equity share.
2. Enhanced the borrowing limit of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013 to Rs. 125,000 Crores at the Annual General Meeting of the Company held on September 8, 2016.
3. Allotted 25,64,078 equity shares of Rs. 2/- each upon exercise of stock options under various ESOP Schemes of the Company.
4. Made a Public Issue of Secured Redeemable Non-Convertible Debentures and Unsecured Redeemable Non-Convertible Debentures ("NCDs") having face value of Rs. 1,000 each for an amount of Rs. 3,500 Crores

with an option to retain over-subscription up to Rs. 3,500 Crores for issuance of additional NCDs aggregating up to Rs. 7,000 Crores and made allotment of NCDs for the same on September 26, 2016. The said NCDs are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

5. Issued and allotted INR 13,300,000,000 8.567 per cent Secured Synthetic INR Notes due October 2019 (Masala Bonds), on September 15, 2016. These bonds are listed on Singapore Stock Exchange (SGX-ST).
6. From time to time issued and allotted with varying terms:
  - (a) 1,07,415 Secured Non-Convertible Debentures of Rs. 10,00,000 each aggregating Rs. 10,741.50 Crores;
  - (b) 60,970 Unsecured Non-Convertible Debentures of Rs. 1,00,000 each aggregating to Rs. 609.70 Crores;
  - (c) 32,000 Non-Convertible Debentures of Rs. 10,00,000 each with paid-up value Rs. 1,600 Crore, i.e. Rs. 5,00,000 per NCD paid-up (Initial Subscription Amount). Balance Rs. 5,00,000 per NCD is to be received in FY 2017-18.

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

For **Neelam Gupta and Associates**

**(Neelam Gupta)**

Practicing Company Secretary

FCS : 3135

CP : 6950

Place : New Delhi

Date : July 24, 2017



**Annexure to the Secretarial Audit Report of IBHFL for financial year ended March 31, 2017**

To,  
The Members  
Indiabulls Housing Finance Limited  
M -62 & 63, First Floor, Connaught Place,  
New Delhi - 110001

**Management Responsibility for Compliances**

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

For **Neelam Gupta and Associates**

**(Neelam Gupta)**

Practicing Company Secretary

FCS : 3135

CP : 6950

Place : New Delhi

Date : July 24, 2017

## Annexure - 2

**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. These are, improving awareness of communities towards education, health, nutrition, sanitation and rural development etc. 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 (natural disasters etc.).

CSR Policy is stated herein below:

**Web-link:** <https://www.indiabullshomeloans.com/uploads/downloads/csr-policy-ihfl-0407987001462461867.pdf>

**2. Composition of the CSR Committee**

Mr. Shamsher Singh Ahlawat, Chairman (Independent Director)

Mr. Gagan Banga, Member (Vice-Chairman, Managing Director & CEO)

Mr. Ashwini Omprakash Kumar, Member (Deputy Managing Director)

**3. Average Net Profit of the Company for last three financial years: ₹ 18,374,689,915/-****4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 367,494,000/-****5. Details of CSR spend for the financial year:**

(a) Total amount spent for the financial year: ₹ 367,494,000/-

(b) Amount unspent, If any: Nil

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

(Figures in ₹)

(1) Sr. No.	(2) CSR Projects or Activities identified	(3) Sector in which the project is covered	(4) Projects or programs		(5) Amount outlay (budget) project or program-wise	(6) Amount spent on projects or programs Sub-heads:		(7) Cumulative expenditure up to the 31st March 2017	(8) Amount spent: Direct or through implementing agency*
			District	State		Direct Exp. On Project or Programs wise	Overheads		
1	Free Medical Clinic	Health	PAN India	PAN India	200,000,000	6,958,020	352,380	7,310,400	Implementing Agency (Indiabulls Foundation)
2	Free Mobile Medical Vans (Janswasthya Kalyan Vahika)	Health	Mumbai Thane Panvel	Maharashtra	120,000,000	40,326,902	2,249,481	49,886,783	Implementing Agency (Indiabulls Foundation)
3	Cleft Surgery	Health	PAN India	PAN India	10,000,000	5,000,000	—	54,886,783	Implementing Agency (Indiabulls Foundation)
4	Construction of Toilets	Sanitation	PAN India	PAN India	10,000,000	703,453	—	55,590,236	Implementing Agency (Indiabulls Foundation)
5	Water Wheels	Rural Development & Safe Drinking Water	Mumbai Thane Raigad Palghar	Maharashtra	10,000,000	2,201,639	—	57,791,875	Implementing Agency (Indiabulls Foundation)

(1)	(2)	(3)	(4)		(5)	(6)		(7)	(8)
Sr. No.	CSR Projects or Activities identified	Sector in which the project is covered	Projects or programs		Amount outlay (budget) project or program-wise	Amount spent on projects or programs Sub-heads:		Cumulative expenditure up to the 31st March 2017	Amount spent: Direct or through implementing agency*
			District	State		Direct Exp. On Project or Programs wise	Overheads		
6	Rain Water Harvesting	Rural Development & Safe Drinking Water	PAN India	PAN India	7,494,000	452,880	—	58,244,755	Implementing Agency (Indiabulls Foundation)
7	Support to Health Care Institutions	Health	PAN India	PAN India	10,000,000	500,000	—	58,744,755	Implementing Agency (Indiabulls Foundation)
	<b>Total</b>				<b>367,494,000</b>	<b>56,142,894</b>	<b>2,601,861</b>		

\*Indiabulls Foundation is a registered Trust established by the Company along with its group companies.

**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 2016-17, the Company has contributed its entire CSR expenditure aggregating to ₹ 367,494,000/- to the corpus of Indiabulls Foundation, for undertaking CSR projects, on its behalf.

**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 2016-17, 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 Housing Finance Limited**

Place: Mumbai  
Date: July 24, 2017

Sd/-  
**Gagan Banga**  
Member (Vice-Chairman, MD & CEO)  
(DIN: 00010894)

Sd/-  
**Shamsher Singh Ahlawat**  
Chairman – CSR Committee  
(DIN: 00017480)

## Annexure - 3

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**as on financial year ended on 31.03.2017**  
**Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company**  
**(Management & Administration) Rules, 2014.**

I	<b>REGISTRATION &amp; OTHER DETAILS:</b>	
i	CIN	L65922DL2005PLC136029
ii	Registration Date (Date of Incorporation)	10-May-2005
iii	Name of the Company	Indiabulls Housing Finance Limited
iv	Category/Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	M - 62 & 63, First Floor, Connaught Place, New Delhi 110001 Tel: (011) 30252900 Fax: (011) 30252901
vi	Whether listed company	Yes
vii	Name, Address & contact details of Registrar & Transfer Agent, if any.	Karvy Computershare Private Limited Unit: Indiabulls Housing Finance Limited Karvy Selenium, Tower B, Plot No.31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032 Tel : 040-6716 2222, 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	Carry on the business of a Housing Finance Institution without accepting public deposits	64920	85.78%

**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.	Indiabulls Insurance Advisors Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U72200DL2002PLC114257	Subsidiary	100%	Section 2(87) of Companies Act, 2013
2.	Indiabulls Capital Services Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U65993DL2005PLC134948	Subsidiary	100%	Section 2(87) of Companies Act, 2013
3.	Indiabulls Commercial Credit Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U65923DL2006PLC150632	Subsidiary	100%	Section 2(87) of Companies Act, 2013
4.	IBulls Sales Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U67100DL2006PLC154666	Subsidiary	100%	Section 2(87) of Companies Act, 2013
5.	Indiabulls Advisory Services Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U51101DL2006PLC155168	Subsidiary	100%	Section 2(87) of Companies Act, 2013
6.	Indiabulls Collection Agency Ltd M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U93091DL2006PLC149380	Subsidiary	100%	Section 2(87) of Companies Act, 2013
7.	Indiabulls Asset Holding Company Ltd M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U74900DL2007PLC164760	Subsidiary	100%	Section 2(87) of Companies Act, 2013



Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
8.	Indiabulls Life Insurance Company Ltd M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U66000DL2007PLC171001	Subsidiary	100%	Section 2(87) of Companies Act, 2013
9.	Indiabulls Asset Management Company Ltd M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U65991DL2008PLC176627	Subsidiary	100%	Section 2(87) of Companies Act, 2013
10.	Indiabulls Trustee Company Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U65991DL2008PLC176626	Subsidiary	100%	Section 2(87) of Companies Act, 2013
11.	Indiabulls Holdings Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U74140DL2010PLC201275	Subsidiary	100%	Section 2(87) of Companies Act, 2013
12.	Nilgiri Financial Consultants Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U72200DL2005PLC143654	Subsidiary	100%	Section 2(87) of Companies Act, 2013
13.	Indiabulls Asset Reconstruction Company Limited* M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U67110DL2006PLC155167	Subsidiary	100%	Section 2(87) of Companies Act, 2013
14.	Indiabulls Venture Capital Management Company Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U74140DL2010PLC199673	Subsidiary	100%	Section 2(87) of Companies Act, 2013
15.	Indiabulls Venture Capital Trustee Company Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U74900DL2010PLC199674	Subsidiary	100%	Section 2(87) of Companies Act, 2013
16.	OakNorth Holdings Limited Ordnance House, 31 Pier Road, St Helier, Jersey, JE4 8PW	Foreign Company	Associate	38.73%	Section 2(6) of Companies Act, 2013
17.	Indiabulls Asset Management (Mauritius)** c/o Citco (Mauritius) Limited 4th Floor, Tower A, 1 Cyber City Ebene, Mauritius	Foreign Company	Subsidiary	100%	Section 2(87) of Companies Act, 2013

\*Indiabulls Asset Reconstruction Company Limited, ceased to be a subsidiary of the Company w.e.f 3rd October, 2016.

\*\* Indiabulls Asset Management Mauritius was incorporated on July 18, 2016.

#### IV SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS % OF TOTAL EQUITY)

##### (i) CATEGORY-WISE SHARE HOLDING

Category of Shareholder	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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual /HUF	37,601,278	0	37,601,278	8.93	500,000	0	500,000	0.12	(8.81)
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	64,290,028	0	64,290,028	15.26	99,694,807	0	99,694,807	23.52	8.26
e) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total: (A)(1)</b>	<b>101,891,306</b>	<b>0</b>	<b>101,891,306</b>	<b>24.19</b>	<b>100,194,807</b>	<b>0</b>	<b>100,194,807</b>	<b>23.64</b>	<b>(0.55)</b>
<b>(2) Foreign</b>									
a) NRI - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals									
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bank/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
<b>Sub-Total: (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>101,891,306</b>	<b>0</b>	<b>101,891,306</b>	<b>24.19</b>	<b>100,194,807</b>	<b>0</b>	<b>100,194,807</b>	<b>23.64</b>	<b>(0.55)</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	7,805,051	0	7,805,051	1.85	10,551,419	0	1,051,419	2.49	0.64
b) Banks/FI	200,695	0	200,695	0.05	154,907	0	154,907	0.04	(0.01)
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	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	2,959,483	0	2,959,483	0.70	4,782,141	0	4,782,141	1.13	0.43
g) FIIs	153,120,054	0	153,120,054	36.35	25,332,427	0	25,332,427	5.98	(30.37)
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (Foreign Portfolio Investors)	91,323,231	0	91,323,231	21.68	240,696,703	0	240,696,703	56.79	35.11
<b>Sub-Total: (B)(1)</b>	<b>255,408,514</b>	<b>0</b>	<b>255,408,514</b>	<b>60.62</b>	<b>281,517,597</b>	<b>0</b>	<b>281,517,597</b>	<b>66.42</b>	<b>5.80</b>
<b>(2) Non-Institutions</b>									
a) Bodies Corporate									
(i) Indian	24,171,698	0	24,171,698	5.74	1,601,247	0	1,601,247	3.78	(1.96)
(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
(i) Individuals holding nominal share capital upto ₹1 lakh	11,597,561	16,442	11,614,003	2.76	10,265,044	16,088	10,281,132	2.43	(0.33)
(ii) Individuals holding nominal share capital in excess of ₹1 lakh	24,027,260	0	24,027,260	5.70	7,240,889	0	7,240,889	1.71	(3.99)
c) Others (specify)									
(i) Non Resident Indians	443,436	0	443,436	0.11	441,112	0	441,112	0.10	(0.01)
(ii) Clearing Members	411,347	0	411,347	0.10	4,844,836	0	4,844,836	1.14	1.04
(iii) Foreign Bodies-DR	287,356	0	287,356	0.07	109,356	0	109,356	0.03	(0.04)
(iv) NBFCs Registered with RBI	17,521	0	17,521	0.00	7,655	0	7,655	0.00	0.00
<b>Sub-Total: (B)(2)</b>	<b>60,956,179</b>	<b>16,442</b>	<b>60,972,621</b>	<b>14.47</b>	<b>38,928,139</b>	<b>16,088</b>	<b>38,944,227</b>	<b>9.19</b>	<b>(5.28)</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>316,364,693</b>	<b>16,442</b>	<b>316,381,135</b>	<b>75.09</b>	<b>320,445,736</b>	<b>16,088</b>	<b>320,461,824</b>	<b>75.61</b>	<b>0.51</b>
<b>C. Shares held by custodians for GDRs &amp; ADRs</b>									
Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
Public	3,019,521	0	3,019,521	0.72	3,199,409	0	3,199,409	0.75	0.03
<b>Grand Total: (A+B+C)</b>	<b>421,275,520</b>	<b>16,442</b>	<b>421,291,962</b>	<b>100.00</b>	<b>423,839,952</b>	<b>16088</b>	<b>423,856,040</b>	<b>100.0</b>	<b>0.00</b>

**(ii) SHARE HOLDING 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	37,601,278	8.93	0.00	500,000	0.12	0	(8.81)
2	ORTHIA DEVELOPERS PRIVATE LIMITED	16,512,863	3.92	0.00	16,512,863	3.90	0	(0.02)
3	ORTHIA LAND DEVELOPMENT PRIVATE LIMITED	17,017,165	4.04	0.00	17,017,165	4.01	0	(0.03)
4	GYAN SAGAR REAL ESTATE PRIVATE LIMITED	10,000,000	2.37	2.37	10,000,000	2.36	2.36	(0.01)
5	CLETA PROPERTIES PRIVATE LIMITED	10,800,000	2.56	0.00	10,800,000	2.55	0	(0.01)
6	CLETA BUILDTECH PRIVATE LIMITED	6,020,000	1.43	0.00	6,020,000	1.42	0	(0.01)
7	ARBUTUS PROPERTIES PRIVATE LIMITED	3,940,000	0.94	0.59	3,940,000	0.93	0.59	(0.01)
8	SG ADVISORY SERVICES PRIVATE LIMITED	0	0.00	0.00	35,404,779	8.35	0.00	8.35
9	INUUS INFRASTRUCTURE PRIVATE LIMITED	0	0.00	0.00	0	0.00	0.00	0.00
10.	INUUS LAND DEVELOPMENT PRIVATE LIMITED	0	0.00	0.00	0	0.00	0.00	0.00
<b>Total</b>		<b>101,891,306</b>	<b>24.19</b>	<b>2.96</b>	<b>100,194,807</b>	<b>23.64</b>	<b>2.95</b>	<b>(0.55)</b>

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)**

Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1.	At the beginning of the year	<b>101,891,306</b>	<b>24.19</b>		
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)#	#	#		
2.	At the end of the year	<b>100,194,807</b>	<b>23.64</b>		

# Date wise increase/decrease in Promoters Shareholding

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		No. of Shares at the beginning (01-04-16)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	MR. SAMEER GEHLAUT	37,601,278	8.93%	01-Apr-2016	-	-	-	-
		-	-	08-Feb-2017	37,101,278* (Decrease)	Inter-se transfers and Market Sale	-	-
		<b>At the end of the year (31.03.2017)</b>						500,000
2	ORTHIA DEVELOPERS PRIVATE LIMITED	16,512,863	3.92%	01-Apr-2016	-	-	-	-
		<b>At the end of the year (31.03.2017)</b>						16,512,863
3	ORTHIA LAND DEVELOPMENT PRIVATE LIMITED	17,017,165	4.04%	01-Apr-2016	-	-	-	-
		<b>At the end of the year (31.03.2017)</b>						17,017,165
4	CLETA PROPERTIES PRIVATE LIMITED	10,800,000	2.56%	01-Apr-2016	-	-	-	-
		<b>At the end of the year (31.03.2017)</b>						10,800,000
5	CLETA BUILDTECH PRIVATE LIMITED	6,020,000	1.43%	01-Apr-2016	-	-	-	-
		<b>At the end of the year (31.03.2017)</b>						6,020,000
6	ARBUTUS PROPERTIES PRIVATE LIMITED	3,940,000	0.94%	01-Apr-2016	-	-	-	-
		<b>At the end of the year (31.03.2017)</b>						3,940,000
7	GYAN SAGAR REAL ESTATE PRIVATE LIMITED	10,000,000	2.37%	01-Apr-2016	-	-	-	-
		<b>At the end of the year (31.03.2017)</b>						10,000,000
8	SG ADVISORY SERVICES PRIVATE LIMITED	0	0.00%	01-Apr-2016	-	-	-	-
		-	-	-	35,404,779* (Increase)	Inter-se transfers	-	-
		<b>At the end of the year (31.03.2017)</b>						35,404,779
9	INUUS INFRASTRUCTURE PRIVATE LIMITED	0	0.00%	01-Apr-2016	-	-	-	-
		<b>At the end of the year (31.03.2017)</b>						0
10	INUUS LAND DEVELOPMENT PRIVATE LIMITED	0	0.00%	01-Apr-2016	-	-	-	-
		<b>At the end of the year (31.03.2017)</b>						0

\*Inter-se transfer of shares by Mr. Sameer Gehlaut to SG Advisory Services Private Limited, pursuant to Regulation 10(1)(a)(iii) of SAST Regulations. Mr. Sameer Gehlaut holds 100% shareholding of SG Advisory Services Private Limited.

**(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS & HOLDERS OF GDRS & ADRS)<sup>§</sup>**

Sl. No.	Name	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	EUROPACIFIC GROWTH FUND*	26,207,577	6.22%	26,207,577	6.18%
2	COPTHALL MAURITIUS INVESTMENT LIMITED*	22,101,194	5.25%	5,045,253	1.19%
3	MERRILL LYNCH CAPITAL MARKETS ESPANA S.A. S.V.#	15,781,735	3.75%	1,098,088	0.26%
4	CREDIT SUISSE (SINGAPORE) LIMITED#	10,653,735	2.53%	4,000,021	0.94%
5	CINNAMON CAPITAL LIMITED*	10,592,345	2.51%	0	0.00%
6	MORGAN STANLEY ASIA (SINGAPORE) PTE#	8,681,780	2.06%	22,152	0.01%
7	SMALLCAP WORLD FUND, INC*	7,725,000	1.83%	7,725,000	1.82%
8	RAJIV RATTAN#	14,620,623	3.47%	0	0.00%
9	SHUBHI CONSULTANCY SERVICES LLP#	6,500,000	1.54%	0	0.00%
10	ABU DHABI INVESTMENT AUTHORITY - BGO-EM#	6,143,554	1.46%	3,649,459	0.86%
11	MERRILL LYNCH MARKETS SINGAPORE PTE. LTD##	0	0.00%	14,673,241	3.46%
12	MORGAN STANLEY MAURITIUS COMPANY LIMITED##	635,029	0.15%	13,832,090	3.26%
13	TUPELO CONSULTANCY LLP##	0	0.00%	9,147,873	2.16%
14	THE PRUDENTIAL ASSURANCE COMPANY LIMITED##	0	0.00%	5,118,272	1.21%
15	VANGUARD EMERGING MARKETS STOCK INDEX FUND, ASERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUND##	2,232,428	0.53%	4,941,935	1.17%
16	NOMURA INDIA INVESTMENT FUND MOTHER FUND##	2,246,855	0.53%	4,798,673	1.13%
17	LIFE INSURANCE CORPORATION OF INDIA##	2,959,483	0.70%	4,782,141	1.13%

# Top 10 shareholders as on 01.04.2016 only

## Top 10 shareholders as on 31.03.2017 only

\* Top 10 shareholders as on 01.04.2016 and 31.03.2017

§ 99.99% of paid-up Equity share capital of the Company are held in dematerialised form. These are traded on a daily basis at BSE & NSE and hence, the date wise increase/decrease in shareholding is not indicated.



**(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****(A) SHAREHOLDING OF DIRECTORS**

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		No. of Shares at the beginning (01-04-16)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	<b>Mr. Sameer Gehlaut</b> , Founder and Executive Chairman*	37,601,278	8.93%	01-Apr-2016	-	-	-	-
		-	-	08-Feb-2017	37,101,278 (Decrease)	Inter-se transfers and Market Sale*	-	-
		<b>At the end of the year (31.03.2017)</b>						500,000
2	<b>Mr. Gagan Banga</b> , Vice-Chairman, Managing Director & CEO	2,380,842	0.57%	01-Apr-2016	-	-	-	-
		-	-	28-Jul-2016 to 29-Jul-2016	427,695 (Decrease)	Sale	1,953,147	0.46%
		-	-	01-Aug-2016	497,634 (Increase)	ESOP Allotment	2,450,781	0.58%
		<b>At the end of the year (31.03.2017)</b>						2,450,781
3	<b>Mr. Ajit Kumar Mittal</b> , Executive Director	104,000	0.02%	01-Apr-2016	-	-	-	-
		-	-	13-Apr-2016	3,400 (Decrease)	Sale	100,600	0.02%
		-	-	27-May-2016	40,000 (Decrease)	Sale	60,600	0.01%
		-	-	02-Aug-2016	40,000 (Decrease)	Sale	20,600	0.00%
		-	-	27-Oct-2016	45,000 (Increase)	ESOP Allotment	65,600	0.01%
		-	-	29-Dec-2016	12,400 (Increase)	ESOP Allotment	78,000	0.01%
		-	-	30-Jan-2017	41,400 (Decrease)	Sale	36,600	0.00%
		-	-	07-Mar-2017	43,200 (Increase)	ESOP Allotment	79,800	0.01%
		-	-	30-Mar-2017	34,000 (Decrease)	Sale	45,800	0.01%
		<b>At the end of the year (31.03.2017)</b>						45,800
4	<b>Mr. Ashwini Omprakash Kumar</b> , Deputy Managing Director	374,713	0.09%	01-Apr-2016	-	-	-	-
		374,713	0.09%	31-Mar-2017	-	-	374,713	0.09%
5	<b>Mr. Shamsheer Singh Ahlawat</b> , Independent Director	0	0.00%	01-Apr-2016	-	-	-	-
		<b>At the end of the year (31.03.2017)</b>						0
6	<b>Dr. Kamallesh Shailesh Chandra Chakrabarty</b> , Independent Director	0	0.00%	01-Apr-2016	-	-	-	-
		<b>At the end of the year (31.03.2017)</b>						0
7	<b>Mr. Manjari Ashok Kacker</b> , Non-Executive Director	0	0.00%	01-Apr-2016	-	-	-	-
		<b>At the end of the year (31.03.2017)</b>						0
8	<b>Justice Surinder Singh Nijjar</b> (Retd. Justice Supreme Court of India), Independent Director**	0	0.00%	01-Apr-2016	-	-	-	-
		<b>At the end of the term (28-Sep-2016)**</b>						0
9	<b>Justice Bisheshwar Prasad Singh</b> (Retd. Justice Supreme Court of India), Independent Director	0	0.00%	01-Apr-2016	-	-	-	-
		<b>At the end of the year (31.03.2017)</b>						0
10	<b>Brig. Labh Singh Sitara (Retd)</b> , Independent Director	0	0.00%	01-Apr-2016	-	-	-	-

		<b>At the end of the year (31.03.2017)</b>					0	0.00%
11	<b>Mr. Prem Prakash Mirdha</b> , Independent Director	300	0.00%	01-Apr-2016	-	-	-	-
		<b>At the end of the year (31.03.2017)</b>					300	0.00%
12	<b>Justice Gyan Sudha Misra</b> (Retd. Justice Supreme Court of India), Independent Director <sup>#</sup>	0	0.00%	29-Sep-2016 <sup>#</sup>	-	-	-	-
		<b>At the end of the year (31.03.2017)</b>					0	0.00%
13	<b>Mr. Sachin Chaudhary</b> , Executive Director <sup>\$</sup>	0	0.00%	21-Oct-2016 <sup>\$</sup>	-	-	-	-
		-	-	27-Oct-2016	100,000 (Increase)	ESOP Allotment	100,000	0.02%
		-	-	29-Dec-2016	25,000 (Increase)	ESOP Allotment	125,000	0.02%
		-	-	13-Feb-2017	6,000 (Decrease)	Sale	119,000	0.02%
		-	-	17-Feb-2017	5,000 (Decrease)	Sale	114,000	0.02%
		-	-	21-Feb-2017 to 22-Feb-2017	9,000 (Decrease)	Sale	105,000	0.02%
		-	-	16-Mar-2017	15,000 (Decrease)	Sale	90,000	0.02%
		-	-	17-Mar-2017 to 20-Mar-2017	20,000 (Decrease)	Sale	70,000	0.02%
		<b>At the end of the year (31.03.2017)</b>					70,000	0.02%

\*Inter-se transfer of shares by Mr. Sameer Gehlaut to SG Advisory Services Private Limited, pursuant to Regulation 10(1)(a)(iii) of SAST Regulations. Mr. Sameer Gehlaut holds 100% shareholding of SG Advisory Services Private Limited.

\*\*Two year term of Justice Surinder Singh Nijjar (Retd. Justice Supreme Court of India) came to an end effective on 28-Sep-16.

#Appointed as an Independent Director of the Company w.e.f 29-Sep-16.

\$Appointed as a Whole-time Director of the Company w.e.f 21-Oct-16.

**(B) Shareholding of KMP**

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		No. of Shares at the beginning (01-04-16)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Mr. Mukesh Kumar Garg, CFO	110,000	0.03	01-Apr-2016	-	-	-	-
		-	-	16-May-2016	1,000 (Decrease)	Sale	109,000	0.02
		-	-	29-Jul-2016 to 01-Aug-2016	8,082 (Decrease)	Sale	100,918	0.02
		-	-	02-Aug-2016	59,918 (Increase)	Sale	41,000	0.00
		-	-	04-Aug-2016 to 08-Aug-2016	12,251 (Decrease)	Sale	28,749	0.00
		-	-	27-Oct-2016	25,000 (Increase)	ESOP Allotment	53,749	0.01
		-	-	04-Nov-2016	5,749 (Decrease)	Sale	48,000	0.01
		-	-	29-Dec-2016	20,000 (Increase)	ESOP Allotment	68,000	0.01
		-	-	06-Feb-2017	10,000 (Decrease)	Sale	58,000	0.01
		-	-	23-Feb-2017 to 27-Feb-2017	2,000 (Decrease)	Sale	56,000	0.01
		-	-	8-Mar-2017 to 10-March-2017	3,000 (Decrease)	Sale	53,000	0.01
<b>At the end of the year (31.03.2017)</b>							53,000	0.01
2	Mr. Amit Jain, Company Secretary	9,050	0.00	01-Apr-2016	-	-	-	-
		-	-	09-May-2016 to 06-Jun-2016	1,850 (Decrease)	Sale	7,200	0.00
		-	-	13-Jul-2016 to 02-Aug-2016	7,200 (Decrease)	Sale	0	0.00
		-	-	27-Oct-2016	4,800 (Increase)	ESOP Allotment	4,800	0.00
		-	-	29-Dec-2016	3,000 (Increase)	ESOP Allotment	7,800	0.00
		-	-	25-Jan-2017 to 08-Feb-2017	4,800 (Decrease)	Sale	3,000	0.00
		-	-	17-Mar-2017	1,000 (Decrease)	Sale	2,000	0.00
		<b>At the end of the year (31.03.2017)</b>						

**(V) INDEBTEDNESS**
**INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING / ACCRUED BUT NOT DUE FOR PAYMENT**

				Amount (in ₹)
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	548,692,560,300	50,938,300,000	-	599,630,860,300
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	8,729,958,377	680,401,551	-	9,410,359,928
<b>Total (i+ii+iii)</b>	<b>557,422,518,677</b>	<b>51,618,701,551</b>	<b>-</b>	<b>609,041,220,228</b>
<b>Change in Indebtedness during the financial year Additions / (Reduction)</b>				
i) Principal Amount	162,263,822,027	63,225,616,000	-	225,489,438,027
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	8,659,835,138	519,555,570	-	9,179,390,708
<b>Net Change</b>	<b>170,923,657,165</b>	<b>63,745,171,570</b>	<b>-</b>	<b>234,668,828,735</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	710,956,382,327	114,163,916,000	-	825,120,298,327
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	17,389,793,515	1,199,957,121	-	18,589,750,636
<b>Total (i+ii+iii)</b>	<b>728,346,175,842</b>	<b>115,363,873,121</b>	<b>-</b>	<b>843,710,048,963</b>

**(VI) REMUNERATION OF DIRECTOR AND KEY MANAGERIAL PERSONNEL##**
**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER:**

Sl. No.	Particulars of Remuneration paid during their tenure	Name of the MD/WTD/Manager					Total Amount
		Mr. Sameer Gehlaut®	Mr. Gagan Banga	Mr. Ashwini Omprakash Kumar	Mr. Ajit Kumar Mittal	Mr. Sachin Chaudhary <sup>§</sup>	
1	Gross Salary						
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	250,210,428	123,436,504	56,954,030	28,119,580	27,844,890	486,565,432
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961*	-	56,850	39,600	28,800	26,671	151,921
	(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						
	<b>Total (A) (excludes perquisite on stock options reported in point 2)</b>	<b>250,210,428</b>	<b>123,493,354</b>	<b>56,993,630</b>	<b>28,148,380</b>	<b>27,871,561</b>	<b>486,717,353</b>
	<b>Ceiling as per the Act</b>	<b>₹ 330.49 crore (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)</b>					

**@In the best interest of the Company, Mr. Sameer Gehlaut has not taken any increase in his remuneration during the past 2 years and has also opted for no increase in the current financial year.**

**§Mr. Sachin Chaudhary was appointed as a Whole-time Director of the Company w.e.f 21.10.2016.**

**\*Excludes value of perquisites on exercise of stock options.**

**B. REMUNERATION TO OTHER DIRECTORS:**

Amount (in ₹)

Sl. No.	Particulars of Remuneration paid during their tenure	Name of Director							Total Amount
		Mr. Shamsher Singh Ahlawat	Justice Bisheshwar Prasad Singh (Retd.)	Justice Surinder Singh Nijjar (Retd.) <sup>#</sup>	Mr. Prem Prakash Mirdha	Brig. Labh Singh Sitara (Retd.)	Dr. Kamallesh Shailesh Chandra Chakrabarty	Justice Gyan Sudha Misra (Retd. Justice Supreme Court of India) <sup>§</sup>	
1	Independent Directors								
	(a) Fee for attending board committee meetings	400,000	600,000	-	600,000	400,000	-	200,000	2,200,000
	(b) Commission	-	-	-	-	-	-	-	-
	(c) Others (Profit Link Incentive)	-	-	-	-	-	15,311,816	-	15,311,816
	<b>Total (1)</b>	<b>400,000</b>	<b>600,000</b>	<b>-</b>	<b>600,000</b>	<b>400,000</b>	<b>15,311,816</b>	<b>200,000</b>	<b>17,511,816</b>
2	Other Non-Executive Director	Mrs. Manjari Ashok Kacker							
	(a) Fee for attending board committee meetings	400,000							400,000
	(b) Commission	-							-
	(c) Others, please specify	-							-
	<b>Total (2)</b>	<b>400,000</b>							<b>400,000</b>
	<b>Total (B)=(1+2)</b>	<b>17,911,816</b>							<b>17,911,816</b>
	<b>Total Managerial Remuneration</b>	<b>17,911,816</b>							<b>17,911,816</b>
	<b>Ceiling as per the Act</b>	<b>₹ 33.05 crore (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)</b>							

<sup>#</sup>Two year term of Justice Surinder Singh Nijjar (Retd.) came to an end, effective on 28.09.2016.

<sup>§</sup>Justice Gyan Sudha Misra (Retd.) was appointed as an Independent Director on the Board of the Company w.e.f 29.09.2016.

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration paid during their tenure	Key Managerial Personnel			Amount (in ₹)
		CEO	Mr. Amit Kumar Jain, Company Secretary	Mr. Mukesh Kumar Garg, CFO	
1	Gross Salary				Total Amount
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	3,493,093	27,698,867	31,191,960
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961*	-	130,601	39,600	170,201
	(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	-	-	-	-
	<b>Total (excludes perquisite on stock options reported in point 2)</b>	<b>-</b>	<b>3,623,694</b>	<b>27,738,467</b>	<b>31,362,161</b>

\*Excludes value of perquisites on exercise of stock options.

##Excludes retirement benefits.

**(VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

During the year under review, the Company, its directors or any of its officers were not liable for any penalty, punishment or any compounding of offences under the Companies Act, 2013.



**Annexure - 4**
**DISCLOSURES ON MANAGERIAL REMUNERATION**

Details of remuneration as required under Rule 5.1 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as under –

**Ratio of the remuneration of each director to the median employees' remuneration, for FY 2016-17**

Designation	Ratio of remuneration to the median employees' remuneration
Chairman	541 : 1
Vice Chairman & Managing Director	268 : 1
Deputy Managing Director	124 : 1
Executive Director	61 : 1

The details of remuneration paid to Independent and Non- Executive Directors have been disclosed in Form MGT – 9, forming part of this Annual Report.

**Percentage increase in remuneration of each director and Key Managerial Personnel, in FY 2016-17**

Designation	Increase in Remuneration (%)
Chairman	Nil
Vice Chairman & Managing Director	20%
Deputy Managing Director	25%
Executive Director	20%
Chief Financial Officer	25%
Company Secretary	15%

Average percentile increase in the median remuneration of employees other than Managerial Personnel, in FY 2016-17

The average increase in the remuneration of all the employees, other than Managerial Personnel, was 14.8%. This was determined based on the overall performance of the Company and internal evaluation of Key Result Areas.

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

The Company had 6,407 employees on its permanent rolls, as of March 31, 2017.

**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 percentage increase made in the salaries of total employees other than the key managerial personnel, for FY 2017 is around 15%, while the average increase in the remuneration of key managerial personnel is around 20%.

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.

In the best interests of the Company, the Chairman, Mr. Sameer Gehlaut has not taken any increase in his remuneration for the past two years and has also opted not to seek any increase in his remuneration during the current financial year. The Vice-Chairman, Managing Director & CEO, Mr. Gagan Banga, the Deputy Managing Director, Mr. Ashwini Omprakash Kumar, and the Executive Director, Mr. Ajit Kumar Mittal have opted to cap the increase in their remuneration, excluding stock options, at 15% annually for the next five years.

The Company follows prudent remuneration practices under the guidance of the Board and Nomination and 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 housing finance companies, within the framework of prudent Risk Management.

The increase in remuneration of Key Managerial Personnel is thus based on the overall performance of the Company. The Company performed well on various financial parameters and a peer comparison with other housing finance companies reaffirmed the Company's strong performance in FY 2016 and 2017.

It is hereby affirmed that the aforesaid remuneration (which excludes the value of perquisite on exercise of ESOPs) paid by the Company, is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company.

## Annexure - 5

## POLICY FOR DEALING WITH RELATED PARTY TRANSACTIONS

### OBJECTIVE

M/s Indiabulls Housing Finance Limited (the “Company”), has adopted the Policy on Related Party Transactions, as detailed hereinafter (Policy), which has been framed as per the requirement of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Board of Directors of the Company or the Audit Committee shall review and amend this policy, from time to time, if so require.

The objective of this policy and procedure is to ensure that transactions between the Company and its related parties are based on principles of transparency and arm's length pricing. Therefore, this policy aims at preventing and providing guidance in situations of potential conflict of interests in the implementation of transactions involving such related parties.

### 1. DEFINITIONS

- a) **“Audit Committee”** means Committee of Board of Directors of the Company constituted under provisions of Section 177 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations.
- b) **“Related Party”** shall mean a person or entity that is related to the company as defined under Section 2(76) of the Companies Act, 2013 or under Regulation 2 (zb) of the Listing Regulations, as may be amended, from time to time.
- c) **“Related Party Transaction”** shall mean all transactions as per Section 188 of the Companies Act, 2013 or under Regulation 2 (zc) of the Listing Regulations or as per applicable Accounting Standards, as may be amended from time to time.
- d) **“Material transaction”** shall have the same meaning as defined under the Listing Regulations.
- e) **“Arm's Length Transaction”** means a transaction between two Related Parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- f) **“Annual Consolidated Turnover”** is defined as Total Income (including other income) of the last audited Consolidated Financial Statements of the Company.

### 2. POLICY

All RPTs must be in compliance of this Policy and subject to all applicable regulatory requirements.

### 3. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

Every Related Party Transaction (RPT) shall have the approval of the Audit Committee whether at a meeting or by resolution by way of circulation.

Wherever required, to ensure compliance of the provisions of the Companies Act, 2013 and the Listing Regulations, the RPTs shall also be subject to Board's and /or Shareholders' approval.

Related Parties that are parties to the contract shall abstain from voting.

### General Guidance for approval of Related Party Transactions

The Compliance Officer shall – (i) identify the related parties along with their details, (ii) furnish these details to the concerned departments, which are responsible for entering into contracts / arrangements or agreements, for and on behalf of the Company, at regular intervals, (iii) ascertain that whether RPTs are on Arm's Length basis or in the ordinary course of business, and (iv) ensure to have the approval from Audit Committee for all RPTs and wherever required from Board of Directors or shareholders of the Company.

The Audit Committee shall be provided with the relevant information of RPTs in accordance with the requirements of Regulation 23 of the Listing Regulations or under Rule 15(1) of the Companies (Meetings of Board and its Powers) Rules, 2014, as may be amended from time to time, or as requested by the Audit Committee.

In determining whether to approve a RPT, the Audit Committee shall consider (among other aspects it deems relevant), if there are clearly demonstrable reasons from the Company's business point of view, to enter into a transaction with a Related Party.

### 4. OMNIBUS APPROVAL BY AUDIT COMMITTEE FOR RELATED PARTY TRANSACTIONS

The Audit Committee may grant omnibus approval for RPTs, which are repetitive in nature and are proposed to be entered into by the Company. Omnibus approval shall be valid for a period of one year.

### 5. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

In the event the Company becomes aware of a RPT with a Related Party that has not been approved under this Policy prior to its consummation, the Company would obtain post facto approval from the Audit Committee.

In case the Company is not able to take prior approval from the Audit Committee, such a transaction shall not be deemed to violate this Policy, or be invalid or unenforceable, so long as the transaction is informed to the Audit Committee as promptly as reasonably practical after it is entered into or after it becomes reasonably apparent that the transaction is covered by this policy.

The Audit Committee shall consider all relevant facts and circumstances regarding the RPT and shall evaluate all options available to the Company, including ratification, revision or termination of the RPT.

**6. DISCLOSURE OF THE POLICY**

This Policy will be uploaded in the website of the Company at <http://www.indiabullshomeloans.com/>.

The Company shall ensure compliance of all requirements applicable to RPTs, as may be required, in terms of applicable provisions of the Companies Act, 2013 and

Rules made thereunder or Regulation 23 of the Listing Regulations or any other law for the time being in force.

**7. POLICY REVIEW**

This Policy is framed based on the provisions of Regulation 23 of the Listing Regulations. In case of any subsequent changes in the provisions of the Listing Regulations or the Companies Act, 2013 and Rules made thereunder (Act), then the amended Listing Regulations/ Act would prevail over the Policy and the provisions in the Policy would be suitably modified in due course to make it consistent with law.

## MANAGEMENT DISCUSSION AND ANALYSIS

FY 2016-17 saw the world go through momentous socio-political changes and move away from the post-war concerns of globalization and market-based economic organization. However, global economic growth rebounded led by the US, the Eurozone and bolstered by the recovery in China and India's sustained strong growth.

For India, the year saw several historic economic policy developments. The long-awaited and transformational Goods and Services Tax (GST) amendment was passed and the roll out on July 1, 2017 was smooth, belying much touted scepticism. GST will create a common Indian market and is widely expected to improve tax compliance, boost investment and growth, and improve governance. The government also made commendable headway by overhauling bankruptcy laws and codifying the institutional arrangements on monetary policy with the Reserve Bank of India.

In a move that will have far reaching consequences for all Indians, the legal framework for Aadhar was ratified. Aadhar is now truly a digital and biometric unique citizen identification number for Indians. Mandatory linkage of Aadhar to the tax identification number (PAN) and bank account number will improve tax compliance, streamline and reduce misallocation of subsidy delivery and very importantly revolutionize availability and distribution of credit.

Despite demonetization, India's economic growth was strong and the estimated GDP for FY 2016-17 stood at 7.1%. Agricultural growth was boosted by good monsoons. But the year saw a moderation in the growth of industry and non-government service sector. CPI inflation for the year ending March 2017 stood at 3.8%, well below the RBI's target of 4% (+/- 2%); by June 2017, this has slipped further down to 2.2%.

India is on sound financial footing, the government met its fiscal deficit target of 3.5% of GDP. Foreign exchange reserves remained at comfortable levels, buoyed by surging FDI inflows. Current account deficit narrowed to 0.7% of GDP down from 1.1% in FY 2015-16, and is expected to remain at these levels with a surge in exports balancing the receding effects of benign international oil prices.

India's macroeconomic parameters are strong and accumulating dividends from the reforms of the past year are expected to elevate the country onto a trajectory of sustained growth of 8-10% by the end of the decade.

Falling inflation and contracting current account deficit induced the RBI to cut interest rates by 50 bps during the year. But the effect on end-borrowers was more pronounced as trillions of rupees of currency-in-circulation entered formal banking channels, leaving banks awash with liquidity leading to a drop in rates (MCLR) by an average of 105 bps through the year.

Inflation has further moderated in the first quarter of FY 2017-18 and the outlook on current account deficit remains benign. Interest rates are thus expected to continue their downward trajectory.

### HOUSING SECTOR

The demand for housing remains strong supported by strong demographic drivers like a young and expanding working population, rising urbanization and increasing nuclearisation of families. An already existing large urban housing shortage makes this demand all the more pronounced. The social challenge posed by housing is also an economic opportunity as housing, both directly and through multiplier effect of ancillary industries, contributes to as much as 6% of the GDP. The government is seized of this and the housing sector has attracted singular focus through the government mission of "Housing for all by 2022".

The fears around demonetization were overplayed with real estate prices holding steady. Moreover, surging liquidity into formal channels led to a steep drop in home loan rates and on the whole, demonetization has had a very favourable impact on the housing sector.

Commercial office space absorption was at an all-time high in CY 2016. The demand was secular across key micro-markets of the country and was also sectorally broad-based. Resultantly, office vacancy slipped to an eight-year low. Leasing activity is a lead indicator of housing demand with office goers eventually requiring places in the vicinity to live in. Leasing activity was most strong in the suburbs and peripheries of metros which coincide with the supply of mid-income affordable housing.

Towards its mission of "Housing for all by 2022", the government continues its concerted actions with sectoral regulators to align policies and fiscal incentives. In the year gone by, the government meaningfully enhanced the scope of "affordable housing" for buyers, lenders and developers to include mass-market mid-income affordable housing.

The government expanded the coverage of the Credit Linked Subsidy Scheme (CLSS) under the Pradhan Mantri Awas Yojana (PMAY) to cover households with incomes of up to ₹ 18 lakh per annum buying their first house. The eligible subsidy on the home loan is paid upfront into the customer loan account, significantly reducing the effective interest rate. The features of the scheme are tabulated below.

Criteria	CLSS – EWS & LIG	CLSS – MIG I	CLSS – MIG II
Household income per annum	Up to ₹ 6 lac	₹ 6 lac up to ₹ 12 lac	₹ 12 lac up to ₹ 18 lac
Property size	60 Sq. Mts. [646 Sq. Ft.]	90 Sq. Mts. [969 Sq. Ft.]	110 Sq. Mts. [1,184 Sq. Ft.]
Loan amount qualifying for subsidy [The total loan amount could be higher]	110 Sq. Mts. Up to ₹ 6 lac	4.0% Up to ₹ 9 lac	3.0% Up to ₹ 12 lac
Interest subsidy	6.5%	4.0%	3.0%
Subsidy under CLSS	₹ 2.67 lac	₹ 2.35 lac	₹ 2.30 lac

In addition to PMAY, mid-income home buyers can also claim a deduction of up to ₹ 4 lakh from their taxable income against home loan repayments. If both of them are considered together, the effective interest rate on home loan is down to near zero levels for mass market mid-income houses. This is a first in India's history. Effective home loan rates are now vastly lower than rental yields which average at 3.2% for the country's top 12 metros, making a compelling case for home ownership.

### ILLUSTRATION FOR INDIABULLS HOUSING'S AVERAGE HOME LOAN

House value	: ₹ 3,500,000
Home loan amount	: ₹ 2,400,000 (Loan to value of 70%)
PMAY subsidy	: ₹ 230,156
Net loan amount	: ₹ 2,169,844

Years	Opening Loan Principal	Interest Payment (@ 8.35%)	Principal Repayment (pre-payment at least up till ₹ 150,000 p.a. to maximise tax benefit)	Tax Saved*	Net Amount Paid (Net of Tax Savings)
1	2,169,844	179,524	150,000	101,823	227,701
2	2,019,844	166,509	150,000	97,801	218,708
3	1,869,844	153,493	150,000	93,779	209,714
4	1,719,844	140,477	150,000	89,758	200,720
5	1,569,844	127,462	150,000	85,736	191,726
6	1,419,844	114,446	150,000	81,714	182,732
7	1,269,844	101,431	150,000	77,692	173,738
8	1,119,844	88,415	150,000	73,670	164,745
9	969,844	75,399	150,000	69,648	155,751
10	819,844	62,384	161,115	65,627	157,873
11	658,729	48,403	175,096	61,307	162,192
12	483,633	33,210	190,289	56,612	166,887
13	293,344	16,699	206,800	51,510	171,989
14	86,544	1,748	86,544	27,282	61,010
Total		1,309,600	2,169,844	1,033,959	2,445,486

\* Tax saved = 30.90% of [interest paid up to ₹ 250,000 + principal paid up to ₹ 150,000]

Amounts in ₹

**Effective Interest Rate on Home Loans: 0.30% per annum**

The government further sweetened the deal for prospective home buyers by permitting them to utilize as much as 90% of their accumulated EPFO corpus for purchase or construction of a home. Additionally, the remainder corpus and monthly contributions can now be used to service home loan EMI's.

The government has also done much to boost demand. In the 2017 budget, the government clarified and eased the rules around full tax waiver on profits from construction of affordable housing. For developers this will boost margins from construction of affordable housing attracting larger and more organized developers to this segment. This measure will greatly increase supply and reduce prices in the affordable housing segment.

Increasing supply, moderating prices, low effective interest rates and strong wage inflation will boost affordability. The outlook for the housing sector is very bright and the sector will see an elongated period of steady growth.

The government and various sectoral regulators have also done much to direct efficient funding to the housing sector. The granting of infrastructure status to affordable housing opened up access to cost effective long term funding from external commercial borrowing, insurance companies and pension provident fund.

SEBI increased the cap for mutual fund investment into Housing Finance Companies rated AA and above, permitting investment into HFC's by upto 15% in addition to the 25% sectoral cap in place for investments in other sectors.

The insurance sector regulator IRDA exempted investments into AAA rated HFC's from sectoral caps enabling insurance companies to fully invest in HFC debt instruments. Banking regulator, the Reserve Bank of India slashed the risk weights on bank lending to AA rated HFC's to a fifth to 20% from the earlier 100%.

Access to long-term cost-effective funding for both financiers and real estate developers will ultimately benefit the end-buyers

making homes available at affordable price points encouraging greater house ownership.

#### OPERATIONAL HIGHLIGHTS

In June 2017, IBHFL was upgraded to the highest long term rating of AAA by ICRA, the Indian arm of leading international credit rating agency Moody's. With this, the company enjoys the highest long term credit rating of AAA from three rating agencies. The last non-bank company to be upgraded on standalone basis, i.e. without sovereign support or the support of a larger promoter group, was 20 years ago in 1997. The upgrade will further strengthen the company's liability franchise particularly its bond borrowing programme, enabling it to substantially narrow spreads. Reduction in borrowing costs will be utilized to both grow the book by offering finer rates and also to hold up margins.

During the course of the year, the Company's balance sheet size grew past the milestone ₹ 1,00,000 crore to ₹ 1,03,705 crore, growing by 37% over the balance sheet size of ₹ 75,720 crore at the end of FY2015-16.

In the first half of the year, the Company launched eHome Loans, a global first, end-to-end online home loan fulfilment platform. With eHome Loans, the Company has led the change in the homeloans distribution model. eHome Loans permits loan applicants to submit their application form and upload required documents in as little as 10 minutes and this can be done at the applicant's convenience 24x7. Critical information like income, banking activity, tax filings etc. are directly accessed from the source systems ensuring authenticity and eliminating human data-entry errors. eHome Loans substantially reduces man power intensive involvement in the loan cycle and also cuts turnaround time. Both of these have a multiplier effect on cost reduction. eHome Loans is hence convenient for customers, increases the thoroughness of the underwriting process and is also extremely cost efficient.



## FINANCIAL PERFORMANCE

The Company's revenues for the year ended March 31, 2017 stood at ₹ 11,702 crore, growing by 27% over last year's revenues of ₹ 9,226 crore.

NII grew by 25% to ₹ 4,768 crore for the year ended March 31, 2017, from ₹ 3,802 crore last year.

Profits for the year ended March 31, 2017 was ₹ 2,906 crore, a growth of 24% over the previous year. For FY 2016-17, the return on equity was at 26%.

eHome Loans, increasing digitization and improving productivity resulted in the cost to income ratio reducing to 13.3% for the financial year ended March 31, 2017, from 14.3% the year before. Cost to loan assets has reduced to 0.78% in FY 2016-17, dropping from 0.88% the year before, directly adding the difference of 10 bps to the pre-tax ROA.

eHome Loans has contributed to as much as 20% of incremental home loans sourcing. As a channel, e-Home Loans is extremely cost efficient as manpower intensive sourcing is not required. As the proportion of loan sourcing through eHome Loans increases, cost to income ratio will drop further.

Retail mortgage loan prepayment were lower at 8.8% of opening outstanding balance compared with 13% in the previous year.

Asset quality remained stable with gross and net NPAs at 0.85% and 0.36% respectively, compared with 0.84% and 0.35% at the end of the previous year. The Company has ₹ 374 Crore of provisions over and above regulatory requirements and the total provisions to NPA cover was at 148% at the end of FY 2016-17.

With a capital adequacy of 20.97%, adjusted for risk weight on mutual funds, IBHFL is amongst the best capitalized companies amongst its HFC, NBFC and banking peers. The company stands out on every key quantitative and qualitative parameter:

- **The Company has the highest long-term credit rating of AAA from three rating agencies including ICRA, the Indian arm of the leading international rating agency Moody's.**
- **Focus on profitability in each of its business segment:** RoE of 26% with net earnings of ₹ 2,906 crore.
- **Focus on stakeholder value creation:** Annualized total return of 51% p.a. since IPO in 2004. Since listing IBHFL has distributed dividends of over ₹ 7,800Cr of which ₹ 5,725Cr has been distributed over last four years.
- **Focus on low-risk lending evident in superior asset quality:** Gross NPA of 0.85% and Net NPA of 0.36%.
- **Prudent business practices - adequate provision buffer:** ₹ 374Cr excess provisions over regulatory requirements. Total provisions to GNPA ratio of 148%.
- **Strong fundamentals and foundation:** Moderate leverage of 5.7x. One of the best capitalized amongst peers with capital adequacy ratio of 20.97%.
- **Conservative conduct of business – Robust liquidity buffer:** Liquidity levels of over 20% of loan book (₹ 18,502Cr as on date) to mitigate risk of business disruption from liquidity squeezes.

## BUSINESS STRATEGY

### Focus on Mass-market Mid-income Affordable Housing

The Company continues to be focused on home loans in the mid-income affordable housing segment particularly the salaried

segment. Two-third of the country's population under 35 years of age, rising urbanization and increasing disposable incomes are lowering the age of the average house buyer. Our average home loan customer today is just over 33 years of age. As a young organization ourselves we are better placed to connect and engage with the customers. The success of our industry pioneering eHome Loans has surpassed our expectations and by the end of the year, within nine months of launch, eHome Loans was contributing to as much as 20% of incremental home loan sourcing.

The Company has expanded into tier II and tier III cities with Smart City Home Loans through a lean-branch hub-and-spoke model. Smart City Home Loans rides on the eHome Loans infrastructure where the sales person can complete and scan the files and log them in digitally. Credit underwriting is centralized at regional hubs. This permits cost-effective expansion into the hinterlands where otherwise full-fledged brick-and-mortar offices would have not been financially viable.

The employee workforce is fully digital-and-mobile enabled with all key workflow processes accessible to employees through hand-held devices and through mobile apps. This lets the team to focus on their core business activities and not get bogged down negotiating operational challenges.

### Stable, long-term and diversified liability profile

IBHFL depends on long term as well as medium term funding from various sources to ensure it has sufficient liquidity and appropriate working capital at all times. Being a non-deposit accepting housing finance company (HFC), the Company relies on borrowings to fund its lending business. The top-line - Net Interest Income (NII) - is driven by the spread on the Company's loan book, this is the difference between the interest rate at which loans are extended by the Company and rate at which the Company borrows monies. Thereafter, the profit of the Company is arrived at by adding to the NII other relatively smaller revenue items like processing fees and other fees, and after netting off operating expenses and credit costs. Profit growth is driven by NII growth, which in turn is derived from continuous book growth. Thus, the Company and its profits grow through growth in loan book. Borrowings fund loan book growth and thus borrowings have to grow for the Company and profits to grow. The Company is focused on both cost-efficiency in borrowing and also diversification of borrowing sources.

Total borrowings of the Company grew from ₹ 61,085 Cr in at the end of FY 2015-16 to ₹ 85,301 Cr at the end of FY 2016-17. In FY 2016-17, the Company raised ₹ 7,000 crore through its first ever public issue of bonds. It also raised a total of ₹ 27,650 crore through debentures and securities which is 26% higher than combined amount raised through this source in the previous three years and more than twice of that raised in FY 2015-16. The Company is only the second housing finance company to successfully tap the masala bond market to raise \$ 200 Mn in FY17. The Company also raised \$ 350 Mn of ECBs in FY 2016-17. This saw strong participation from over 15 Japanese, Taiwanese and other lenders across Asia.

The Company has a total of 375 lending relationships, which include 26 PSU banks, 20 Private and Foreign Banks, and 329 mutual funds, provident funds, pension funds, insurance companies and corporates.

### Subordinated Debt

IBHFL's outstanding subordinated debt as on 31st March 2017 was at ₹ 1,762.5 Cr, of which ₹ 809 Cr was issued during the fiscal year under consideration. In FY 2016-17, CARE ratings upgraded IBHFL's subordinated debt credit rating to the highest AAA rating. As per balance tenure of the debt, ₹ 1,807.05 Cr. is considered as Tier II capital for capital adequacy calculation under National Housing Bank guidelines. Tier II capital increases capital adequacy conserving equity capital and making its utilization more efficient.

### Accounting Treatment of securitized and assigned loans

Sell down transactions are an efficient means of increasing operational leverage. Sell down transactions move the loan off the balance sheet while retaining the spread. It both reduces the capital requirement and adds to margins making sell down transactions very capital efficient and RoE accretive. IBHFL has consistently been one of the largest sellers of mortgage pools and has sold down loans amounting to ₹ 24,096 Cr. since inception. In FY 2016-17, the Company sold down loans amounting to ₹ 3,894 Cr. The outstanding securitized/assigned loan book as of 31 March 2017 stood at ₹ 8,687 Cr. The income on assignment/ securitization of loans is recognized over the life of the underlying loans and is not booked upfront.

Sell down of loans happens as either securitization or as direct assignment transactions. In securitization, the loans are pooled and sold down to an SPV. The SPV issues securities, which are Pass Through Certificates (PTCs), against this pool of loans securitized. The proceeds from the sale of these PTCs are used by the SPV to purchase the pool from the originator (IBHFL). The PTCs are shown as 'investments' on the balance sheet of the investor. The investor receives the contracted payments on these PTCs out of the repayment proceeds from the underlying pool of loan assets. In direct assignment, the loans are sold down directly to the investor and they appear as 'loan assets' on the books of the investing entity.

In both types of transactions, the sold down loan assets do not appear on the balance sheet of the originator (IBHFL).

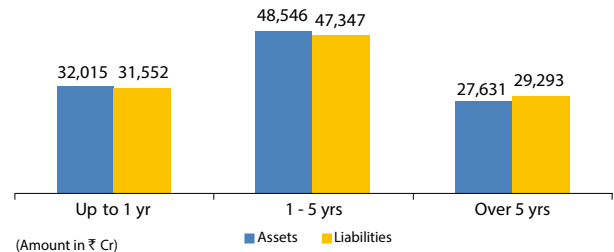
### Investments

The investments of the Company are monitored by the Investments Committee of the Board of Directors. The committee helps the Company deploy excess funds from time to time to generate optimal returns for the Company, while also reviewing all investments and ensuring they comply with the investment policy of the Company. On 31st March 2017, investments in cash and cash equivalents stood at ₹ 18,502 Cr, as against ₹ 12,870 Cr at the end of the previous year.

### Asset Liability Management

The Asset Liability Management Committee of the Board of Directors actively reviews the assets and liabilities position of the Company and gives directions to the finance and treasury teams in managing the same. Under the Schedule III of Companies Act, 2013, the classification of assets and liabilities into current and non-current is based on their contracted maturities. The classification of assets and liabilities by the Company into various maturity buckets reflects adjustments for prepayments and renewals in accordance with the guidelines issued by National Housing Bank.

As of 31st March 2017, the assets and liabilities of the Company were optimally matched with no negative mismatch up till the 5 year+ bucket.



### Prudential Norms for Housing Finance Companies

National Housing Bank (NHB) regulates the HFCs and issues guidelines on income recognition, asset classifications, provisioning, provisioning for bad and doubtful debts, capital adequacy, accounting and disclosure policies, and fair practice code and asset liability management. The Company is in compliance with all applicable regulatory norms and guidelines.

### Capital Adequacy Ratio

Capital Adequacy Ratio IBHFL is required to maintain capital adequacy of 12% on its risk weighted assets as per NHB regulations. IBHFL has maintained consistently high levels of capital adequacy over the last few years. The capital adequacy ratio for the current financial year, adjusted for risk weights on mutual funds was 20.97%, as compared to 23.37% of that of the previous year.

### Provision of Contingencies

Company follows prudent approach to proactively provide for contingencies and has followed this for many years now. The Company is adequately provided on its nonperforming assets and maintains provision coverage of 148%. During the year, the Company made a provision of ₹ 701 Cr. through a charge on its profit and loss statement. Of the ₹ 701 Cr. the Company contributed ₹ 499 Cr. to provision for doubtful loans and contingencies and the rest was provided for standard assets. The housing finance regulator, NHB, mandates the Company to hold provisions of ₹ 775 Cr. IBHFL has a comfortable position with total provisions amounting to ₹ 1,149 Cr., which is ₹ 374 Cr. in excess of regulatory requirement.

### Awards and Recognitions

During the year, some of the awards and recognitions received by the Company included:

1. 'Most Promising Housing Finance Brand of the Year' by the Zee Business and This Week Group Leaders, 2016.
2. 'Best Digital Innovators in Customer Experience' by the Express Computers BFSI Digital Innovators Award, 2016
3. 'Certificate of Excellence for e-Home Loans' by BFSI Tech Maestro Awards, 2016.
4. 'Certificate for Risk Management' by the Golden Peacock Awards, 2017.
5. 'Housing Finance Company of the year' by the Navbharat Realty Business Achievers Awards, 2016.
6. 'Excellence in Home Loan Banking' by the My FM Stars of Industry Awards, 2017.

7. 'Sustainable Growth - Silver Award for e-Home Loans' by the 46thSKOCH Summit, 2016.

The company's management also won prestigious recognitions:

- Mr. Gagan Banga was named amongst India's Most Valuable CEO's by Businessworld, 2017.
- Mr. Nafees Ahmed was named amongst India's Top 50 CIO's of 2017 by Dell EMC and CIO Association of India.

### Experienced Senior Management Team

The Company has benefitted from having very stable senior and mid-management teams. Business heads and heads of various departments have been with the Company since the commencement of their respective business lines. The Company has directed conscious effort towards retention of talent as it truly believes that employees are an organisation's greatest asset. This is especially true of financial services companies. Experienced credit underwriters, sales' and operations' teams are reservoirs of in-depth, many times location specific, market knowledge and represent valuable intellectual property.

The Company has been growing steadily and is able to provide proportional career growth to performing employees. Up-skilling and continuous training of employees is a key focus area for the human resources team as the Company believes in grooming talent internally to take on larger responsibilities.

Stability in senior and mid-management teams has been an important contributing factor to the Company's steady growth and strong asset quality. Experience and stability of management also leads to consistency in communication with stakeholders building predictability and a reputation for reliability. Tangible results are evident as the management team has presided over a rating upgrade trajectory that saw the Company upgraded to the highest long-term rating of AAA in 2014 from a rating of AA- in 2008.

The Company recruits both directly from colleges and also hires laterally from industry to bring on board capable resources to contribute to the growing business. The Company has also focused on developing a second line to the senior management team. The middle and the senior management teams of the Company have rich experience within the financial services industry, and form the stable and reliable backbone of the Company.

### Human Resources

As business continues to grow at a steady pace amidst greater consumer expectations, the human resource department's responsibility of nurturing the potential of employees is also greater. With digitization of the HR function we have made further progress towards creating an environment that fosters learning and growth.

We continue to deepen our relationship with campuses across the country to hire fresh talent. Our talent acquisition programme is also continually focused on hiring best in class lateral talent. The HR department along with senior employees across other departments is invested in developing internal talent, and performing employees are given enhanced job responsibilities in your fast growing company.

For our vast sales force we now have an online learning platform built around 'gamified' modules to make them more involving.

The HR department is also focused on ensuring good work-life balance and the general health and wellbeing of employees. Towards this IBHFL participates in many health awareness activities like 'Get Fit Go', health check-ups for women employees, Puma Urban Stampede, Vasai Virar Marathon etc.

### Risk Management

Your Company has a well-defined risk governance structure which includes periodic reviews and close monitoring to enable building a sustainable business that takes care of the interests of all stakeholders. IBHFL has a clearly defined risk management policy that lays down guidelines for all operational areas. Comprehensive annual risk review exercises go towards continually updating the risk management policy. The policy defines role of the Company's Risk Management Committee which oversees all aspects of the business, especially credit underwriting.

Knowledgeable and trained credit officers form the first line of defense. The Company has well-charted growth path for credit resources. New recruits groomed by senior managers and grow within the system handling incrementally nuanced cases. Through this their credit authorities get enhanced. Performance of the underwritten portfolio is closely monitored and constructive training is continuously imparted. Career progress is assured for performing employees in a growing company, the average vintage with the company of mid-management credit managers is over five years, for many Indiabulls was their first employer. Stability of the senior and mid-management teams of the Company is one of the key reasons for the company stable asset quality and forms the bedrock of the Company's approach to risk management.

The Company has adequate system of internal controls for business processes, with regard to operations, financial reporting, fraud control, compliance with applicable laws and regulations, etc. Regular internal audits and checks ensure that responsibilities are executed effectively. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening the existing control system in view of changing business needs from time to time.

### Indiabulls Foundation

As a responsible corporate citizen, your Company believes in giving back to the society. Indiabulls Foundation has its key focus areas defined in Health, Education, Sanitation, and Nutrition, Rural development, Art & Culture and Renewable energy. Indiabulls Foundation continued and strengthened its efforts in the fields of Health, Education and Rural Development. 'Jan SwasthyaKalyanVahika' - an Indiabulls Foundation initiative is operational with 20 mobile medical vans (3 more added to initial fleet of 17) and provides free primary healthcare services to more than 2,50,000 patients every year. More than 7,65,000 patients have been served under the above initiative. Indiabulls Foundation has also set up 4 free medical clinics where more than 119,538 patients are treated. Various health check-up camps are also set up in which doorstep health check-up takes place once a month and the benefits of these camps have been availed by more than 16,000 patients.

Understanding the benefits of a literate economy, Indiabulls Foundation contributed 1,000 computers to tribal ashram schools, night schools and shelter homes across Maharashtra. Indiabulls Foundation has offered scholarships to over

600 deserving students to enable them to continue their studies beyond the 12th standard. Indiabulls Foundation has distributed Kumud Sanitary Napkins Kits to 600 rural women and adolescent girls from various ashram schools, orphanages, shelter homes and rehabilitation centres for a complete year in Thane, Raigad, Palghar and Mumbai districts. Your company also had a tie-up with ESHA foundation which created awareness about online library of ESHA helping 47,000 visually challenged students.

Indiabulls Foundation has been actively providing nutrition supplements to 5,000 malnourished individuals every month and regularly monitoring their health status through its 'PaushtikAahar' initiative. More than 85,000 children have been covered under this initiative till date. Under "Green Soles" initiative, footwear distribution has taken place.

Realizing the importance of renewable energy, your company has set up renewable energy plant that provides free of cost round-the-clock seamless electricity to 5 tribal ashram schools. This benefits 3,400 tribal students every year.

Your company also considers rural development as one of the most critical factors for development of society. Under its "Water Wheel Project", it distributed more than 1,400 water

wheels to underprivileged people which helped over 7,700 villagers to reap its benefits. Water projects under "Rahat" at 3 tribal ashram schools will benefit over 2,500 children every year.

Owing to the untiring services provided to our society, your company was awarded Best Overall Excellence in CSR at National Awards for Excellence in CSR & Sustainability 2016.

#### **Cautionary Statement**

For the purpose of the Management Discussion and Analysis, Indiabulls Housing Finance Ltd. (IBHFL) is defined as the consolidated entity consisting of the Holding Company and its subsidiaries. The terms 'the Company' and 'Indiabulls' also refer to the consolidated entity. HFC refers to Housing Finance Company.

Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

The Company is not 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

## PART A: COMPANY PROFILE

<b>Reg. Office:</b> M-62 & 63, First Floor, Connaught Place, New Delhi - 110001	
<b>CIN No.:</b> L65922DL2005PLC136029	<b>NHB Reg. No. :</b> 02.0063.05
<b>Phone:</b> 124 6681199	<b>Fax:</b> +91 124 6681240
<b>Website:</b> <a href="http://www.indiabullshomeloans.com">http://www.indiabullshomeloans.com</a>	<b>E m a i l:</b> <a href="mailto:helpdesk@indiabulls.com">helpdesk@indiabulls.com</a>

Indiabulls Housing Finance Limited (IBHFL or the Company), as an incorporated legal entity, came into existence on May 10, 2005, under the Companies Act, 1956, and obtained the certificate for commencement of business on January 10, 2006, to enable it to carry on the business of housing finance.

IBHFL is one of India's largest housing finance companies (HFC) and is regulated by the National Housing Bank (NHB). IBHFL mainly extends mortgage-backed loans under product categories such as home loans; loans against property to SMEs, small businesses and small business owners; lease rental discounting; and residential construction focus.

IBHFL is particularly focussed on extending home loans in the mid-income affordable. The Company has a pan-India presence through a network of branches covering all major towns and cities across the country. The Company holds the highest long-term credit rating of AAA from three rating agencies and is also ISO certified for its systems and processes.

IBHFL's key subsidiaries include Indiabulls Insurance Advisors Limited, Indiabulls Capital Services Limited, Indiabulls Commercial Credit Limited, Bulls Sales Limited, Indiabulls Advisory Services Limited, Indiabulls Collection Agency Limited, Indiabulls Asset Holding Company Limited, Indiabulls Life Insurance Company Limited, Indiabulls Asset Management Company Limited, Indiabulls Trustee Company Limited and Indiabulls Holdings Limited. Its step down subsidiaries include Indiabulls Venture Capital Management Company Limited, Indiabulls Venture Capital Trustee Company Limited, Nilgiri Financial Consultants Limited, Indiabulls Asset Reconstruction Company Limited (ceased to be subsidiary of the Company w.e.f. October 3, 2016) and Indiabulls Asset Management (Mauritius).

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) Regulation, 2015 and the circulars issued by SEBI in this regard. The subsidiary companies have their own Business Responsibility (BR) initiatives.

## PART B: FINANCIAL HIGHLIGHTS IN THE LAST FINANCIAL YEAR

The audited financial statements of the Company form part of this Annual Report. Further details on the financial information are given in the Directors' Report and the Management Discussion and Analysis Report which is part of this Annual Report. Detailed information on Corporate Social Responsibilities (CSR) is provided in Annual Report on CSR activities, which is annexed to the Directors' Report. The Company follows the financial year of April 1 to March 31 each year.

## PART C: BUSINESS RESPONSIBILITY INFORMATION

Mr. Gagan Banga (DIN: 00010894), Vice-Chairman, Managing Director & CEO, Mr. Ashwini Omprakash Kumar (DIN: 03341114), Deputy Managing Director and Mr. Ajit Kumar Mittal (DIN: 02698115), Executive Director are jointly/severally responsible for day-to-day administration and operations of the Company. Further details of the Board of Directors and the management are covered elsewhere in this Annual Report.

The Company has prepared a Business Responsibility Report (BRR) based on the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the circulars issued by SEBI in this regard.

Mr. Gagan Banga, Mr. Ashwini Omprakash Kumar, and Mr. Ajit Kumar Mittal are jointly/severally oversees the implementation of the BR policies. Mr. Sachin Chaudhary, Business Head is the BR Head and is assisted by a team having multi-disciplinary backgrounds. The BR policies are reviewed periodically and are made available on the website of the Company.

### 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, Compensation Committee, Risk Management Committee, Asset Liability Management Committee, Investment Committee, Customer Grievance Committee, Corporate Social Responsibility Committee, Management Committee, Strategic Investment Committee. These committees meet periodically to supervise, review and advice on the relevant/respective matters.

#### 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 Fair Practices Code, 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, Know Your Customer policy and Investment policy, 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.

### Stakeholder Complaints

The Company is committed to providing effective and prompt service to all its stakeholders. The central operations team along with the call centre records and redresses grievances and feedback from customers. Complaints and grievances are addressed in a time-bound manner. Regular analysis of customer issues is conducted and where required corrective measures are taken in the Company's processes.

Designated senior personnel at individual branches 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 team.

The Company has in-built Grievance Redressal Policy with escalation mechanism wherein complaints are escalated to the level of Branch heads, Head Customer Care and National Head Operation/Principal Officer, Compliance. Grievance redressal procedure prescribed by the National Housing Bank (NHB) is also available on the Company website for the benefit of its customers.

During the financial year 2016-2017, the Company had received 285 complaints from its stakeholders and 4 complaints were outstanding at the beginning of the year, out of which 288 were resolved satisfactorily and the balance 1 were resolved during the current financial year upto the date of this report. 99.7% of the complaints outstanding and received during FY 2016-2017, were resolved during the FY 2016-2017.

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 Customer Grievance Committee and Stakeholders Relationship Committee.

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

### Focus on Technology : e-Home Loans and Finnovate

The Company is the first financier, in India, to launch e-Home Loans, a cutting edge, technology enabled paperless, home loan that can be end-to-end fulfilled from the customer's mobile or computer. The Company's e-Home Loans offers unmatched customer convenience and other manifold advantages both to

the Company and its customers, as it substantially reduces the paperwork and time to process the application and disburse the loan.

### 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 is ISO 14001:2015 certified for its Environmental Management Systems (EMS). ISO 14001 is an iterative framework that checks adherence to environmental performance standards and also seeks to continuously improve it. This helps the Company document its process from an environmental perspective and importantly, gives it a means to measure and minimize the environmental impact of its operations. The Company has in place a stringent 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.

Furthermore, the Company's initiative on Digitization has led to the creation of a Customer Portal where Customers can access details in relation to their loan on their laptops and mobile devices without using paper. Our adaptation of eReceipts has ensured that we issue receipts either in the form of SMS or E-mail further saving paper.

The Company continues to explore collaboration with partners that ensure conservation of energy and resources. On this front, the Company recognizes the need to work with real estate developers that promote the use of innovative technologies such as green buildings and other energy efficient measures for construction of their projects.

### 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 payment to and from all its stakeholders. Soft copies of the annual report 2015-16 along with the notice convening the 11th Annual General Meeting and the dividend e-payment advice were sent to over one lakh ninety-five thousand shareholders so as to minimise the usage of paper.

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

### Equitable Employment

The Company's employee strength as on March 31, 2017 was 6,407, out of which 636 were women and 5 were employees with disabilities. As at March 31, 2017, the male: female ratio was 90:10. The Company has always advocated a business environment that favours the concept of equal employment

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

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

For IBHL, 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 formulated and adopted a Gender Sensitization and as constituted an Ethical Cell and Complaint Committee. 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 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. The Company has a specific budgetary allocation for this purpose

#### **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.

During the year, a total of 5,048 permanent employees were imparted training during the year, which is 79% of the Company's total permanent employees, out of which 528 women employees were imparted training during the year, which is 83% of the Company's total women employees.

#### **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**

#### **Inclusive Credit Approach**

In its fifteen plus years of operations, the Company has been providing home loan products that cater to the employed and self-employed sections in the organized sector. Housing requirements, for both formal and informal segment customers, have been growing rapidly largely owing to the pace of urbanization and migration of people from rural to urban areas.

In FY17, the Company launched 'Smart City Home Loans' in tier-II and tier-III towns through a lean branch hub-and-spoke model that allows for cost-efficient expansion into the hinterlands.

#### **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 Company has endeavoured to choose projects keeping in mind the Human Development Index norms which address human resource development in areas of Sanitation, Health Education, Nutrition, Renewable Energy, Promotion of Arts & Culture. The details of CSR activities undertaken by the Company are provided in the Annual Report on Corporate Social Responsibility (CSR) Activities which forms part of this Annual Report.

#### **Employee Welfare & Participation**

To encourage employees to maintain and lead a healthy life, employees' family get-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 who have availed housing loans.

The Company has put in place an internal culture of work ethics where delinquent customers are treated with fairness. Customers who have difficulty in making regular payments are counselled patiently and given sufficient opportunities to recover from difficulties. Even as the Company takes legal action, care is taken to treat customers and their family with dignity and respect. Employee training programmes lay emphasis on this aspect. Any complaints and grievances pertaining to behavioural issues are attended to personally by senior officers.

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

**Green Initiatives**

The Company promotes ecological sustainability and green initiatives, adopts energy saving mechanisms, by encouraging its employees, customers and all its other stakeholders 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 recognises that the housing and real estate industry plays an important role in the Indian economy as this industry is the second largest employment generator after agriculture. The Company will continue to support and advocate for the further development of housing industry as its primary objective is to aid housing for all in the country by providing housing finance in a systematic and professional manner thereby promoting home ownership.

The Company continues to make various recommendations/representations before various regulators, forums and associations relevant to further promote the housing for all in the country.

**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 for promoting Sanitation, Health, Education, Nutrition, Renewable Energy, Arts & Culture. Details of CSR activities undertaken by the Company are provided in the Annual Report on Corporate Social Responsibility (CSR) Activities which forms a 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. It has in place, a central operation team to record and redresses the grievances/feedback from its customers which helps in ensuring standard operating procedure and maintaining service standards.

The Company has identified senior personnel at all its branches

and made them responsible for ensuring efficient and effective resolution of complaints within the prescribed turnaround time. All complaints are monitored at the Head Office by its Operations team.

The Company has an in-built Grievance Redressal Policy with escalation mechanism wherein complaints are escalated to the level of Branch heads, Head Customer Care and National Head Operation/Principal Officer, Compliance. Complaints forwarded by regulatory and supervisory authorities are tracked separately. A grievance redressal procedure recommended by National Housing Bank (NHB) is also available on the Company website along with contact details of Grievance Redressal Officer for the benefit of its customers.

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. In the scope of lending operations the company has been certified for ISO 9001:2008 which focuses on the Grievance Redressal mechanism and ISO 10002:2014 which helps us to maintain a Management system for Customer Complaint Handling. In FY 2017, this certification was reaffirmed.

**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 formulated the Fair Practices Code. A copy of the said code is available on the Company's website and at all its offices. The Company has complied with all the advertising norms applicable to the Company.

The important product attributes relevant information about the products and services being offered, fees and charges, benchmark interest rates and other important notifications like Most Important Terms & Conditions and KYC documents are displayed prominently in each of the Company's offices. 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.

# REPORT ON CORPORATE GOVERNANCE

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

The Company continuously adapts and refines itself to the Corporate Governance practices within the framework of evolving laws and regulations. The Company's philosophy on Corporate Governance encompasses simple tenets of integrity, transparency, accountability and fairness in whatever the Company does and what it basically aims at achieving is a complete adherence to the applicable laws while at the same time ensuring complete commitment to values and the highest ethical standards in every facet of its operations and in all spheres of its activities.

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:

- Constitution of a Board of Directors of appropriate composition, size, varied experience and commitment to discharge their responsibilities and duties.
- Transparency and independence in the functions of the Board.
- Ensuring timely flow of information to the Board and its Committees to enable them to discharge their functions effectively.
- Independent verification and assured integrity of financial reporting.
- Timely and balanced disclosure of all material information concerning the Company to all stakeholders and protection of their rights and interests.
- 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.

The Company is in compliance with the Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016 and the applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

## 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, Listing Agreement executed by the Company with the Stock Exchange and SEBI (LODR) 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 viz. finance, banking, public policy and legal / judicial, thereby bringing about an enabling environment for value creation through sustainable business growth.

The Board consists of twelve directors, five of whom including the Chairman and Vice Chairman are Executive Directors. The remaining seven directors are Non-Executive Directors, with six of such directors being Independent Directors (one of them is a Woman Director) and one Non-Executive Woman Director. The Chairman being an Executive Director, the number of Independent Non-Executive Directors on the Board is 50% of the Board strength at any point of time. No Director is related to any other Director on the Board. Details of Directors, number of directorships held by them in other companies as also the number of their memberships and chairmanships on various Board Committees, as on March 31, 2017, are as under:

Sl. No.	Name of the Director	Nature of Office	No. of Directorships in other Companies*	No. of Memberships/ Chairmanships in Board Committees of various companies (including the Company)**	
				Member	Chairman
1.	Mr. Sameer Gehlaut (DIN : 00060783)	Founder and Executive Chairman	1	Nil	N.A.
2.	Mr. Gagan Banga (DIN : 00010894)	Vice-Chairman, Managing Director & CEO	2	Nil	N.A.
3.	Mr. Ajit Kumar Mittal (DIN : 02698115)	Executive Director	5	2	1
4.	Mr. Ashwini Omprakash Kumar (DIN : 03341114)	Executive Director (Deputy Managing Director)	Nil	1	Nil
5.	Mr. Sachin Chaudhary (DIN : 02016992)	Executive Director	4	Nil	Nil
6.	Dr. Kamalesh Shailesh Chandra Chakrabarty (DIN : 03543682)	Non-Executive Independent Director	1	Nil	Nil
7.	Justice Bisheshwar Prasad Singh (Retd.) (DIN : 06949954)	Non-Executive Independent Director	3	1	Nil



8.	Justice Gyan Sudha Misra (Retd. Justice Supreme Court of India) (DIN : 07577265)	Non-Executive Independent Director	1	Nil	Nil
9.	Mrs. Manjari Ashok Kacker (DIN : 06945359)	Non-Executive Director	3	3	Nil
10.	Mr. Shamsheer Singh Ahlawat (DIN : 00017480)	Non-Executive Independent Director	7	10	5
11.	Mr. Prem Prakash Mirdha (DIN : 01352748)	Non-Executive Independent Director	7	9	Nil
12.	Brig. Labh Singh Sitara (Retd.) (DIN : 01724648)	Non-Executive Independent Director	8	10	Nil

\*Does not include directorships held in foreign companies & private limited companies and Companies under section 8 of the Companies Act, 2013.

\*\*Only memberships / chairmanships of the Audit Committee / Stakeholders' Relationship Committee in various public limited companies, considered.

None of the Non-Executive Director held any equity share and/or convertible security of the Company during the financial year ended March 31, 2017, except Mr. Prem Prakash Mirdha who is holding 300 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 programme along with details of the same imparted to the Independent Directors during the year are available on the website of the Company (<https://www.indiabullshomeloans.com/investor-relations/investor-presentations/#tab-3>).

#### (B) Number and Dates of Board Meetings held, attendance of Directors thereat and at the last AGM held.

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, Head – Treasury, Head – Analytics 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 FY 2016-17, the Board met 5 (Five) times. Meetings were held on April 25, 2016, July 25, 2016, August 19, 2016, October 21, 2016 and January 20, 2017. During the year, separate meeting of the Independent Directors was held on January 20, 2017, without the attendance of non-independent directors and the members of the management. All Independent Directors attended the said meeting, except Brig. Labh Singh Sitara, who could not attend the same, as he was out of India.

The last Annual General Meeting of the Company was held on September 8, 2016.

Attendance of Directors at the Board Meetings held during the FY 2016-17 and at the last Annual General Meeting are as under:

Sr. No.	Name of the Director	No. of Board meetings attended	Attendance at the last AGM
1.	Mr. Sameer Gehlaut (DIN : 00060783)	5	No
2.	Mr. Gagan Banga (DIN : 00010894)	5	No
3.	Mr. Ajit Kumar Mittal (DIN : 02698115)	5	Yes
4.	Mr. Ashwini Omprakash Kumar (DIN : 03341114)	5	No
5.	Dr. Kamallesh Shailesh Chandra Chakrabarty (DIN : 03543682)	4*	No
6.	Justice Bisheshwar Prasad Singh (Retd.) (DIN : 06949954)	5	No
7.	Justice Surinder Singh Nijjar (Retd.) <sup>#</sup> (DIN : 06964806)	0	No
8.	Mrs. Manjari Ashok Kacker (DIN : 06945359)	4*	No
9.	Mr. Shamsheer Singh Ahlawat (DIN : 00017480)	3*	Yes
10.	Mr. Prem Prakash Mirdha (DIN : 01352748)	5	Yes
11.	Brig. Labh Singh Sitara (Retd.) (DIN : 01724648 )	4*	Yes
12.	Mr. Sachin Chaudhary (DIN : 02016992)	2**	No
13.	Justice Gyan Sudha Misra (Retd. Justice Supreme Court of India)* (DIN : 07577265)	1***	No

\*Directors could not attend the remaining meeting(s), due to their traveling schedule.

\*\*Mr. Sachin Chaudhary has attended both meetings, held post his appointment as director on October 21, 2016.

\*\*\*Justice Gyan Sudha Misra (Retd.) was appointed as Director on the Board of the Company w.e.f. September 29, 2016. She could not attend the meeting held on October 21, 2016, due to her travelling schedule.

<sup>#</sup>The two year term of appointment of Justice Surinder Singh Nijjar (Retd.) on the Board of Directors of the Company came to an end effective on September 28, 2016.



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. Some of these committees were re-constituted and terms of reference were revised to align with the provisions of Companies Act, 2013, SEBI (LODR) Regulations, 2015 and NHB Act, 1987.

The role and the composition of these 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 four members, namely, Mr. Shamsheer Singh Ahlawat as the Chairman and Member, Mr. Prem Prakash Mirdha, Mr. Ajit Kumar Mittal and Brig. Labh Singh Sitara, as members. Three out of the four members comprising the Committee i.e. Mr. Shamsheer Singh Ahlawat, Mr. Prem Prakash Mirdha and Brig. Labh Singh Sitara, are Independent Directors while Mr. Ajit Kumar Mittal is an Executive Director. Mr. Amit Jain is the Secretary to the Audit Committee.

##### Terms of reference of the Audit Committee

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

- To oversee the financial reporting process and disclosure of financial information;
- To review with management, quarterly, half yearly 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/ reports 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 their remuneration;
- To review and approve required provisions to be maintained as per IRAC norms and write off decisions;
- To hold discussions with the Statutory and Internal Auditors;
- Review and monitoring of the auditor's independence and performance, and effectiveness of audit process;
- Examination of 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;
- Review of Credit Concurrent Audit Report;
- 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 reviewing 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.
- Approval of Bad Debt Write Off in terms of the Policy.
- Review of information system audit of the internal systems and processes to assess the operational risks faced by the Company and also ensures that the information system audit of internal systems and processes is conducted periodically.\*

\*inserted during the current FY.

**Meetings and Attendance during the year**

During the financial year ended March 31, 2017 the Committee met four times. The dates of the meetings being April 25, 2016, July 23, 2016, October 20, 2016 and January 19, 2017.

The attendance of Committee members in these meetings is as under:

<b>Name of the Member</b>	<b>No. of meetings attended</b>
Mr. Shamsher Singh Ahlawat	3
Mr. Prem Prakash Mirdha	4
Mr. Ajit Kumar Mittal	4
Brig. Labh Singh Sitara (Retd.)	3

The Chief Financial Officer, Statutory and Internal Auditors attended the meetings as Invitees.

**(B) Nomination & Remuneration Committee**
**Composition**

The Nomination & Remuneration Committee of the Board comprises of three Independent Directors as its members, namely, Mr. Prem Prakash Mirdha as its Chairman and member, Mr. Shamsher Singh Ahlawat and Brig. Labh Singh Sitara (Retd.) as the other two members.

**Terms of reference**

The terms of reference of Nomination & Remuneration Committee, inter-alia, include:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal,
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- To ensure 'fit and proper' status of proposed/ existing directors.\*

\*inserted during the current FY.

**Meetings and Attendance during the year**

During the financial year ended March 31, 2017 the Committee met two times i.e. on July 23, 2016 and October 19, 2016.

The attendance of Committee members in the meeting is as under:

<b>Name of the Member</b>	<b>No. of meetings attended</b>
Mr. Shamsher Singh Ahlawat	1
Mr. Prem Prakash Mirdha	2
Brig. Labh Singh Sitara (Retd.)	2

**Policy for selection and appointment of Directors**

The Nomination and Remuneration Committee (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.

- a. 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.
- b. 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, taxation, law, governance and general management.
- c. 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 Key Managerial Personnel, for approval by Board of Directors of the Company, subject to the approval of its shareholders, wherever necessary.

### Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the N&R Committee has laid down the criteria for performance evaluation of Independent Directors and Executive 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. The performance evaluation of the Chairman, Vice-Chairman, Executive Directors and Non-Executive Director was carried out by the Independent Directors in their meeting held on January 20, 2017. 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.

### Director's Remuneration:

#### (i) Remuneration of Executive Directors

The Executive Chairman, Vice-Chairman, Managing Director & CEO, Deputy Managing Director and other Executive Directors are being paid remuneration as recommended by Nomination & Remuneration Committee and approved by the Board of Directors. Details of remuneration of paid to them during the FY 2016-17 are provided in Form MGT-9 forming part of this Annual Report.

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

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 Financial Year ended March 31, 2017, the Non- Executive Directors have been paid, sitting fees for attending the Board meetings of the Company, and commission, the details of which are provided in Form MGT-9 forming part of this Annual Report.

### (C) Stakeholders Relationship Committee

#### Composition

The Stakeholders Relationship Committee currently comprises of three members, namely, Mr. Shamsheer Singh Ahlawat as the Chairman and Member, Mr. Prem Prakash Mirdha and Mr. Ashwini Omprakash Kumar, as members. Two out of the three members of the Committee namely Mr. Shamsheer Singh Ahlawat and Mr. Prem Prakash Mirdha, are Independent Directors and Mr. Ashwini Omprakash Kumar is an Executive Director.

#### 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.

#### Meetings and Attendance during the year

During the financial year ended March 31, 2017 the Committee met four times. The dates of the meetings being April 25, 2016, July 25, 2016, October 21, 2016, January 20, 2017.

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 attended
Mr. Shamsheer Singh Ahlawat	3
Mr. Ashwini Omprakash Kumar	4
Mr. Prem Prakash Mirdha	4

**Name and designation of Compliance Officer**

Mr. Amit Jain, Company Secretary is the Compliance Officer pursuant to Regulation 6(1) of SEBI(LODR) Regulations, 2015

Details of queries / complaints received and resolved pertaining to Equity Shares of the Company during the year 2016-17:-

Sl. No.	PARTICULARS	OPENING	RECEIVED	DISPOSED	PENDING
1	Legal Cases / Cases before Consumer Forums	0	0	0	0
2	Letters from SEBI / Stock Exchange.	0	6	6	0
3	Status of applications lodged for public issue(s)	0	0	0	0
4	Non-receipt of dividend	0	121	121	0
5	Non-receipt of annual report	0	2	2	0
6	Non receipt of Refund order	0	0	0	0
7	Non credit/receipt of shares in demat account	0	0	0	0
8	Non receipt of securities after transfer	0	0	0	0
	<b>TOTAL</b>	0	129	129	0

Details of queries / complaints received and resolved pertaining to Non-Convertible Debentures of the Company during the year 2016-17:-

Sl. No.	Particulars	Opening	Received	Disposed	Pending
1	Legal Cases / Cases before Consumer Forums	0	0	0	0
2	Letters from SEBI / Stock Exchange.	0	2	2	0
3	Status of applications lodged for public issue(s)	0	73	73	0
4	Non-receipt of Interest	0	85	85	0
5	Non-receipt of annual report	0	0	0	0
6	Non receipt of Refund order	0	22	22	0
7	Non credit/receipt of NCDs in demat account	0	48	48	0
8	Non receipt of securities after transfer	0	0	0	0
	<b>Total</b>	0	230	230	0

**(D) Risk Management Committee**
**Composition**

The Risk Management Committee of the Board comprises of eight members i.e. four Executive Directors namely Mr. Ajit Kumar Mittal, Mr. Gagan Banga, Mr. Ashwini Omprakash Kumar and Mr. Sachin Chaudhary and two Independent Directors namely, Mr. Shamsher Singh Ahlawat and Mr. Prem Prakash Mirdha and Mr. Mukesh Garg, Mr. Subhankar Ghosh as its members. Mr. Ajit Kumar Mittal is the Chairman of the Committee.

**Terms of reference of the Risk Management Committee**

The terms of reference of the Risk Management Committee, inter-alia, include:

- Approve the Credit/Operation Policy and its review/modification from time to time;
- Review of applicable regulatory requirements;
- Approve all the functional policies of the Company;
- Place appropriate mechanism in the system to cater Fraud while dealing with customers/approval of loans etc;
- Review of profile of the high loan Customers and periodical review of the same,
- Review of Branch Audit Report/Concurrent Audit Report of Treasury;
- Review Compliances of lapses;
- Review of implementation of FPCs, KYC and PMLA guidelines;
- Define loan sanctioning authorities, including process of vetting by credit committee, for various types/values of loans as specified in Credit Policy approved by the BoDs;
- Review the SARFAESI cases;
- Recommend Bad Debt Write Off in terms of the Policy, for approval to Audit Committee, and
- Any other matter involving Risk to the asset/business of the Company.

### Meetings and Attendance during the year

During the financial year ended March 31, 2017, the Committee met seven times. The dates of the meetings being April 9, 2016, June 6, 2016, July 8, 2016, October 10, 2016, January 2, 2017, January 12, 2017, and March 31, 2017.

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 attended
Mr. Ajit Kumar Mittal	7
Mr. Gagan Banga	7
Mr. Ashwini Omprakash Kumar	7
Mr. Sachin Chaudhary	7
Mr. Subhankar Ghosh	7
Mr. Mukesh Garg	7
Mr. Shamsher Singh Ahlawat	6
Mr. Prem Prakash Mirdha	7

### (E) Corporate Social Responsibility (CSR) Committee

#### Composition

The Corporate Social Responsibility Committee comprises of three members namely Mr. Shamsher Singh Ahlawat, as the Chairman and member, and Mr. Gagan Banga and Mr. Ashwini Omprakash Kumar as the other two members.

#### Terms of Reference of the Corporate Social Responsibility Committee

The Terms of reference of the CSR Committee inter-alia, include:

- 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; and
- To ensure compliance of all related applicable regulatory requirements.

### Meetings and Attendance during the year

During the financial year ended March 31, 2017 the Committee met two times. The dates of the meetings being October 14, 2016 and March 31, 2017.

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 attended
Mr. Shamsher Singh Ahlawat	2
Mr. Gagan Banga	2
Mr. Ashwini Omprakash Kumar	2

### 4. GENERAL BODY MEETINGS

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

Year	Meeting	Location	Date	Time	Number of special resolutions passed
2013-14	9 <sup>th</sup> AGM	Centaur Hotel, IGI Airport, Delhi - Gurgaon Road, New Delhi - 110 037	August 11, 2014	10.00 A.M.	2
2014-15	10 <sup>th</sup> AGM	Centaur Hotel, IGI Airport, Delhi - Gurgaon Road, New Delhi - 110 037	September 7, 2015	10:00 A.M.	7
2015-16	11 <sup>th</sup> AGM	Mapple Emerald, Rajokri, NH-8, New Delhi-110038	September 8, 2016	10:00 A.M	7

### B. Postal Ballot during the FY 2016-17

During the year 2016-17, no resolution was passed by the Company through Postal Ballot. None of the business proposed to be transacted in the ensuing Annual General Meeting require special resolution through postal ballot.

### 5. MEANS OF COMMUNICATION

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

- Publication of financial Results : The quarterly / annual results of the Company are published in the leading newspapers viz. The Economic Times (English) and Nav Bharat Times (Hindi).



- (ii) News, Release etc. : The Company has its own website <http://www.indiabullshomeloans.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 presentations etc. are regularly posted on the website.
- (iii) Presentation to institutional investors or analysts: The presentations made to the institutional investors or analysts, are uploaded on the website of the Company, and also sent to the Stock Exchange for dissemination.
- (iv) Management's Discussion and Analysis Report has been included in the Annual Report, which forms a part of the Annual Report.

## 6. GENERAL SHAREHOLDERS INFORMATION

### (A) Company Registration Details

The Company is registered in the State of Delhi, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65922DL2005PLC136029.

### (B) Date, Time and Venue of AGM

The 12<sup>th</sup> 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 1<sup>st</sup> April every calendar year and ending on 31<sup>st</sup> March the following calendar year.

### (D) Dividend Payment Date

The First, Second and Third interim dividends of ₹ 9/- (Rupees Nine) each, aggregating to ₹ 27/- (Twenty Seven) per share, for the financial year 2016-17, were paid on/from August 8, 2016, November 3, 2016, and February 11, 2017, respectively.

### (E) Date of Book Closure

The dates of Book Closure are as mentioned in the Notice convening the 12<sup>th</sup> AGM of the Company.

### (F) Listing on Stock Exchanges

The Company's shares, GDRs, Bonds are listed at the following stock exchanges:

Equity Shares and NCDs	Global Depository Receipts (GDRs)	Secured Synthetic INR Notes Due 2019
<b>BSE Limited (BSE)</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	<b>Luxembourg Stock Exchange</b> Societe de la Boursede Luxembourg, II av de la Porte – Neuve, L-2227, Luxembourg.	<b>Singapore Exchange Securities</b> Trading Limited 11 North Buona Vista Drive #06-07 The Metropolis Tower 2Singapore 138589
<b>National Stock Exchange of India Limited (NSE)</b> "Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051		

The listing fees for the financial year 2017-18, have been paid to BSE and NSE.

### (G) Stock Code

BSE Limited – 535789

National Stock Exchange of India Limited - IBULHSGFIN/EQ

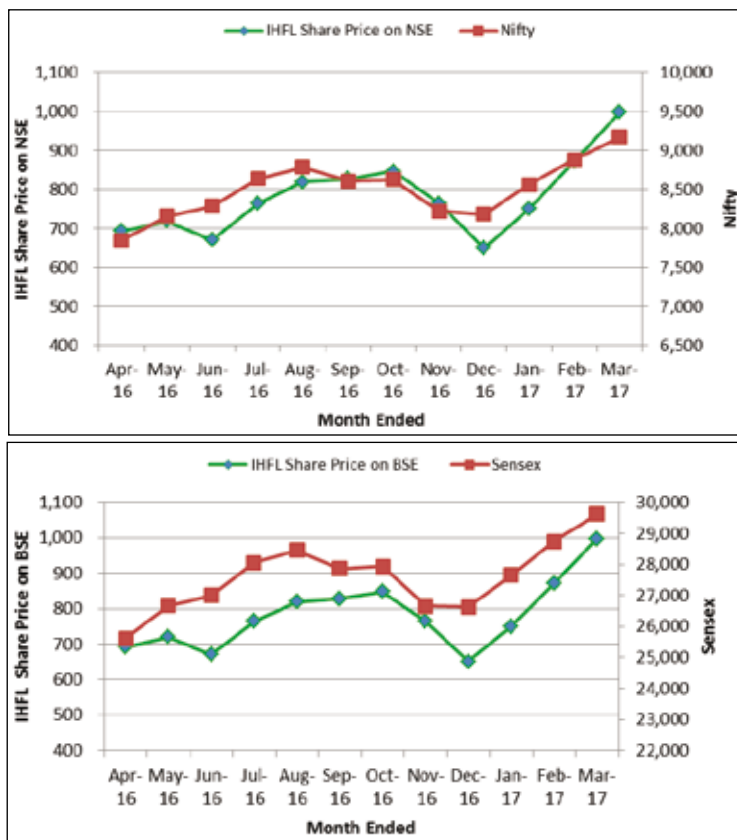
ISIN for Dematerialization – INE148I01020

### (H) Stock Market Price at National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)

The monthly high and low market prices of equity shares at the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year ended March 31, 2017 are as under:

Month	NSE		BSE	
	High (INR)	Low (INR)	High (INR)	Low (INR)
Apr-16	702.85	607.75	701.45	607.40
May-16	743.75	669.10	742.00	668.80
Jun-16	751.35	656.00	752.15	656.45
Jul-16	775.35	675.70	774.10	675.65
Aug-16	830.80	762.65	830.45	761.40
Sep-16	835.90	766.15	834.35	766.80
Oct-16	880.65	822.40	881.75	824.75
Nov-16	860.40	653.25	860.20	651.35
Dec-16	756.15	629.15	754.70	627.85
Jan-17	777.00	643.75	776.95	643.90
Feb-17	872.65	766.05	871.50	765.60
Mar-17	997.75	842.35	997.30	841.50

## (I) Performance of the Company in comparison to broad – based indices



## (J) Registrar and Transfer Agents

M/s Karvy Computershare Private Limited is the Registrar and Transfer Agents of the Company for handling the share related matters both in physical and dematerialized mode.

The contact details are as under:

Karvy Computershare Private Limited  
 Unit: Indiabulls Housing Finance Limited  
 Karvy Selenium, Tower B, Plot No.31-32,  
 Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032  
 Contact Person: Ms. Shobha Anand, AGM, Corporate Registry  
 Tel : 040-6716 2222 - Fax: 040-23001153  
 E-mail: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

## (K) Share Transfer System

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

## (L) (i) Distribution of shareholding as on March 31, 2017

Sl. No.	Category (Amount)	No of holders	% to total holders	Total Shares	Amount (in Rs.)	% of Amount
1	1-5000	62027	97.60	6,152,253	12,304,506	1.45
2	5001-10000	394	0.62	1,431,961	2,863,922	0.34
3	10001-20000	238	0.37	1,730,226	3,460,452	0.41
4	20001-30000	127	0.20	1,578,704	3,157,408	0.37
5	30001-40000	82	0.13	1,470,355	2,940,710	0.35
6	40001-50000	54	0.08	1,220,250	2,440,500	0.29
7	50001- 100000	159	0.25	5,638,850	11,277,700	1.33
8	100001 & Above	471	0.74	404,633,441	809,266,882	95.46
	<b>Total:</b>	<b>63552</b>	<b>100.00</b>	<b>423,856,040</b>	<b>847,712,080</b>	<b>100.00</b>

**(ii) Shareholding pattern as on March 31, 2017**

S. No.	Description	No. of Shares	% holding
1	Promoters and Promoters Group	100,194,807	23.64
2	Mutual Funds/Indian Financial Institutions	10,627,406	2.51
3	Banks	78,920	0.02
4	Insurance Companies	4,782,141	1.13
5	FII's/FPI's	266,029,130	62.76
6	Bodies Corporate	16,019,247	3.78
7	Indian Public (Employees/HUF/Public/Trusts/Directors)	17,522,021	4.13
8	NRI's	441,112	0.11
9	GDRs (Shares underlying)	3,199,409	0.75
10	Other foreign entities(Foreign Bodies -DR)	109,356	0.03
11	NBFC	7,655	0.00
12	Others(Clearing Members)	4,844,836	1.14
	<b>Total</b>	<b>423,856,040</b>	<b>100.00</b>

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

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

As on March 31, 2017, 99.99% Equity shares of the Company representing 42,38,39,952 out of a total of 42,38,56,040 Equity shares were held in dematerialized form and the balance 16,088 shares representing 0.01% of the total equity capital of the Company 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.

**(N) Outstanding GDRs/Convertible Instruments**

As on March 31, 2017, an aggregate of 77,85,523 Employees Stock options are 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 number of outstanding GDRs as on March 31, 2017 was 31,99,409. Each GDR represents one equity share of ₹ 2/- each in the Company.

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

The Company does not have any exposure to commodity price risks. During FY 2016-17, the Company has managed the foreign exchange risk by hedging the entire principal on its foreign currency borrowings. The foreign currency and interest rate risk on borrowings have been actively hedged through a combination of forward contracts, principal only swaps, interest rate swaps and / or cross currency swaps.

**(P) Plant Locations**

As the Company is engaged in the business of housing finance/financial services, there is no plant location.

**(Q) Address for Correspondence**
**(i) Registered Office:**

M-62 & 63, First Floor,  
 Connaught Place, New Delhi - 110 001  
 Email: helpdesk@indiabulls.com,  
 Tel: 0124-6681199, Fax: 0124-6681240,  
 Website: <http://www.indiabullshomeloans.com/>

**(ii) Corporate Office:**

- (a) "Indiabulls House"  
 448-451, Udyog Vihar, Phase V,  
 Gurugram - 122 016, Haryana
- (b) "Indiabulls House", Indiabulls Finance Centre,  
 Tower 1, Elphinstone Mills,  
 Senapati Bapat Marg, Mumbai - 400 013

**(R) Debenture Trustees****(i) Secured Non-convertible Debentures and Unsecured Non-Convertible Debentures issued under IPO and Secured Non-convertible Debentures issued on Private Placement basis.**

IDBI Trusteeship Services Limited  
 Contact Person: Mr. Omkar Bendre  
 Address: Asian Building, Ground Floor,  
 17, R. Kamani Marg, Ballard Estate,  
 Mumbai – 400 001 (Maharashtra)  
 Tel: (022) 40807008  
 Fax: (022) 66311776  
 Website: <http://www.idbitrustee.co.in/>

**(ii) Unsecured Non-Convertible Subordinate Debt in the nature of Debentures issued on Private Placement basis.**

Axis Trustee Services Limited  
 Contact Person: Mr. Neelesh Baheti  
 Address: 2nd Floor, Axis House, Bombay Dyeing Mills Compound  
 Pandurang Budhkar Marg, Worli,  
 Mumbai – 400 025 (Maharashtra)  
 Tel: (022) 24252525/ 43252525  
 Website: <http://www.debenturetrustee@axistrustee.com/>

**(S) Profiles of the directors seeking appointment / re-appointment have been captured in the Notice convening the 12<sup>th</sup> Annual General Meeting.****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 (Listing Obligation and Disclosure Requirements) Regulations, 2015, is annexed to and forms a part of this Report.

**8. OTHER DISCLOSURES:****(i) Subsidiary Companies**

The Company did not have any material subsidiary having investment of the Company, during the previous financial year. The Company has formulated a Policy for determining material subsidiaries, pursuant to the provisions of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, which is available on the website of the Company (<http://www.indiabullshomeloans.com/>).

**(ii) Related Party Transactions**

All the related party transactions, entered into by the Company, during the financial year, were in its ordinary course of business and on an arm's length basis. There are no materially significant related party transactions entered by the Company with its Promoters, Key Management 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 (<http://www.indiabullshomeloans.com/>).

**(iii) VC, MD & CEO / CFO Certification**

- (a) The Vice-Chairman, Managing Director & CEO and CFO have issued certificate pursuant to the Regulation 33(2)(a) of SEBI (LODR) Regulations, 2015, 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 Vice-Chairman, Managing Director & CEO and the 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) Codes of the Company****(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 <http://www.indiabullshomeloans.com/>. All Board Members and Senior Management personnel have affirmed compliance with the Code. A declaration signed by the Chief Executive Officer 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 (Insider Trading) Regulations, 2015 and 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 (<http://www.indiabullshomeloans.com/>).

**(vi) Strictures and penalties**

Since the establishment of the Company as a listed entity on July 23, 2013, there has been no instance of any non-compliance by the Company on any matter related to capital markets and hence, of any penalties being imposed on the Company or strictures being passed against it, by SEBI or the Stock Exchanges or any other statutory authorities on any such matters.

**(vii) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements pursuant to SEBI (LODR) Regulations, 2015.**

The Company has complied with all the mandatory requirements pursuant to SEBI (LODR) Regulations, 2015 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 Non mandatory requirements are given at the end of the Report.

**9. DISCRETIONARY REQUIREMENTS**

**(A) Non-Executive Chairman**

The Company has an Executive-Chairman and hence the requirements recommended as to a Non-Executive Chairman under the Regulation 17 of SEBI (LODR) Regulations, 2015 are not required to be adopted by the Company.

**(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 pertaining 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) Unqualified financial statements**

The Auditors' Report on the audited 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.

**(D) Separate posts of chairperson and chief executive officer**

The Company has separate Executive-Chairman and Vice-Chairman & Managing Director.

**(E) Reporting of Internal Auditor**

The Internal Auditor of the Company reports to CFO and has direct access to the Audit Committee.

Except as set out above, the Company has not adopted the non-mandatory requirements as to any of the other matters recommended under Part E of Schedule II of Regulation 27(1) of SEBI (LODR) Regulations, 2015.

This Corporate Governance Report of the Company for the financial year ended 31st March, 2017 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.



**ANNUAL DECLARATION BY CHIEF EXECUTIVE OFFICER PURSUANT TO REGULATION 34(3) READ WITH SCHEDULE-V OF THE SEBI (LISTING OBLIGATION 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.

Date: April 24, 2017  
Place: New Delhi

**Gagan Banga**  
**Vice-Chairman, Managing Director & CEO**

---

**CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To  
The Members of  
Indiabulls Housing Finance Limited

We have examined the compliance of conditions of Corporate Governance by Indiabulls Housing Finance Limited ("the Company"), for the year ended March 31, 2017, 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.

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

**For S. K. Hota & Associates**  
Company Secretaries

**S. K. Hota**  
Proprietor  
Membership No: ACS 16165  
CP No. 6425

Date: July 12, 2017  
Place: New Delhi

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF INDIABULLS HOUSING FINANCE LIMITED

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of INDIABULLS HOUSING FINANCE LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries and associate referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate entity as at March 31, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### Other Matters

We did not audit the financial statements of fifteen subsidiaries, whose financial statements reflect total assets of ₹ 40,943,519,949 as at March 31, 2017, total revenues of ₹ 4,316,903,311 and net cash in flows amounting to ₹ 612,445,610 for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 21,591,190 for the year ended March 31, 2017, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been

## INDEPENDENT AUDITOR'S REPORT (Contd.)

audited by us. These financial statements have been audited by other auditors whose reports 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 these subsidiaries and associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditors on separate financial statements and the other financial information of subsidiaries and associate referred in the Other Matters paragraph above 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 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, returns and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement 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 the Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company, subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's and its subsidiary company's incorporated in India internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate – Refer Note 31(a), (b) and (d) of the consolidated financial statements.
  - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 28(1) of the consolidated financial statements.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.
  - iv. The Company has provided requisite disclosures in the consolidated financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the information and representations provided to us by the management we report that the disclosures are in accordance with the relevant books of accounts and records maintained by those entities for the purpose of preparation of the consolidated financial statements and as produced to us and the other auditors by the Management of the respective Group entities, except for the amounts stated in note 41(1) and 41(3) to the consolidated financial statements where we are unable to obtain sufficient and appropriate audit evidence to report.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**A. Siddharth**  
Partner  
(Membership No. 31467)  
MUMBAI, April 24, 2017

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of INDIABULLS HOUSING FINANCE LIMITED (hereinafter referred to as “the Holding Company”) and its subsidiary companies, which includes internal financial controls over financial reporting of its subsidiaries which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Holding company and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating

effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiary companies which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary companies which are companies incorporated in India.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT (Contd.)

### Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors referred to in the Other Matters paragraph below, the Holding Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting 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 issued by the Institute of Chartered Accountants of India.

### Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial

controls over financial reporting insofar as it relates to fifteen subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm’s Registration No. 117366W/W-100018)

**A. Siddharth**  
Partner  
(Membership No. 31467)  
MUMBAI, April 24, 2017



# CONSOLIDATED BALANCE SHEET

## OF INDIABULLS HOUSING FINANCE LIMITED GROUP AS AT MARCH 31, 2017

Particulars	Note No.	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
Share capital	3	847,712,080	842,583,924
Reserves and surplus	4	120,372,942,674	106,096,649,534
<b>(2) Share application money pending allotment</b>			
	37	4,051,375	-
<b>(3) Non-current liabilities</b>			
Long-term borrowings	6	541,160,172,705	355,212,567,186
Deferred tax liabilities (net)	7	1,183,546,154	812,419,702
Other long-term liabilities	8	1,590,869,514	1,540,682,457
Long-term provisions	9	7,850,723,413	6,805,106,992
<b>(4) Current liabilities</b>			
Short-term borrowings	10	180,329,975,960	143,108,168,796
Trade payables	11		
(A) Total outstanding dues of micro enterprises and small enterprises; and		-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		59,355,798	90,060,114
Other current liabilities	12	180,746,938,712	140,575,386,958
Short-term provisions	13	2,907,621,234	2,113,543,048
<b>Total</b>		<b>1,037,053,909,619</b>	<b>757,197,168,711</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
Fixed assets	14		
(A) Tangible assets – Property, Plant and Equipment		902,843,498	665,025,828
(B) Intangible assets		108,294,380	20,550,675
Goodwill on Consolidation	15	677,991,379	671,431,651
Non-current investments	16	7,967,257,255	7,243,252,894
Deferred tax assets (net)	17	80,510,898	52,828,651
Long-term loans and advances	18	743,078,816,589	535,227,240,839
Other non-current assets	19	2,321,038,862	4,143,377,208
<b>(2) Current assets</b>			
Current investments	20	128,199,111,697	99,685,240,722
Trade receivables	21	144,882,925	27,876,417
Cash and cash equivalents	22	56,825,290,027	29,017,008,725
Short-term loans and advances	23	87,797,809,502	73,785,635,622
Other current assets	24	8,950,062,607	6,657,699,479
<b>Total</b>		<b>1,037,053,909,619</b>	<b>757,197,168,711</b>
Notes forming part of the financial statements	1 - 42		

In terms of our report attached  
 For Deloitte Haskins & Sells LLP  
 Chartered Accountants

For and on behalf of the Board of Directors

A. Siddharth  
 Partner

Sameer Gehlaut  
 Chairman /  
 Whole Time Director  
 DIN : 00060783

Gagan Banga  
 Vice-Chairman,  
 Managing Director & CEO  
 DIN : 00010894

Ashwini Omprakash Kumar  
 Whole Time Director  
 DIN : 03341114

Mukesh Garg  
 CFO

Amit Jain  
 Company Secretary

Mumbai, April 24, 2017

New Delhi, April 24, 2017

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

## OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Note No.	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
(1) Revenue from operations	25	103,990,371,564	82,899,274,280
(2) Other income	26	13,027,037,509	9,356,322,043
(3) Total revenue (1 + 2)		<b>117,017,409,073</b>	<b>92,255,596,323</b>
(4) Expenses			
Employee benefits expense	27	4,996,620,999	4,131,499,267
Finance costs	28	64,107,764,917	49,714,322,456
Depreciation and amortisation expense	14	231,210,697	203,606,711
Other expenses	29	9,963,773,268	6,917,512,566
Total expenses		<b>79,299,369,881</b>	<b>60,966,941,000</b>
(5) Profit before tax (3-4)		37,718,039,192	31,288,655,323
(6) Tax expense			
Current tax expense		8,289,104,975	7,525,175,032
Less: MAT Credit Entitlement		72,176	550,564,762
Net Current Tax expense		8,289,032,799	6,974,610,270
Current tax expense / (credit) relating to prior years		42,817	(832,285)
Deferred tax charge (Net)	7 & 17	343,444,206	785,899,711
Total Tax Expense		<b>8,632,519,822</b>	<b>7,759,677,696</b>
(7) Profit for the Year (5-6)		<b>29,085,519,370</b>	<b>23,528,977,627</b>
(8) Less: Share in Loss of Associate		21,591,190	81,514,244
(9) Profit for the year attributable to Minority Interest (7-8)		<b>29,063,928,180</b>	<b>23,447,463,383</b>
(10) Less: Share of Profit attributed to Minority Interest		-	133,544
(11) Profit for the year attributable to the Shareholders of the Company (9 - 10)		<b>29,063,928,180</b>	<b>23,447,329,839</b>
(12) Earnings Per Equity share:	35		
Basic		68.80	59.84
Diluted		67.98	58.75
Face value per Equity share		2.00	2.00
Notes forming part of the financial statements	1 - 42		

In terms of our report attached  
For Deloitte Haskins & Sells LLP  
Chartered Accountants

A. Siddharth  
Partner

Mumbai, April 24, 2017

For and on behalf of the Board of Directors

Sameer Gehlaut  
Chairman /  
Whole Time Director  
DIN : 00060783

Mukesh Garg  
CFO  
New Delhi, April 24, 2017

Gagan Banga  
Vice-Chairman,  
Managing Director & CEO  
DIN : 00010894

Amit Jain  
Company Secretary

Ashwini Omprakash Kumar  
Whole Time Director  
DIN : 03341114

## CONSOLIDATED CASH FLOW STATEMENT

OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017

	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
<b>A Cash flows from operating activities :</b>		
Profit before tax	37,718,039,189	31,288,655,323
Adjustments for :		
Employee Stock Compensation	2,421,921	3,366,850
Provision for Gratuity, Compensated Absences and Superannuation Expense	276,873,225	268,561,974
Provision for Loan Assets	4,597,761,116	2,334,770,686
Contingent Provisions against Standard Assets	2,023,624,082	1,144,500,000
Interest Income	(99,377,316,458)	(78,418,268,272)
Dividend Income	(7,632,658,221)	(1,555,435,640)
Interest Expense	63,177,723,909	49,207,959,710
Depreciation and Amortisation expense	231,210,697	203,606,711
Bad Loans / Advances written off	1,392,141,562	1,589,308,401
Mark to Market loss on Current Investment	60,842,980	-
Loss on sale on Fixed Assets	643,736	1,229,553
Unrealised gain on Mutual Fund Investments (Current Investments) (Net)	(2,586,685,952)	(1,740,811,313)
Operating Profit before working capital changes	(115,378,214)	4,327,443,983
Adjustments for:		
Trade and Other Receivables	(3,533,626,900)	352,186,726
Loans and Advances	(222,341,987,241)	(151,150,357,986)
Trade Payables and other liabilities <sup>(Refer Note 2 below)</sup>	12,100,001,780	4,005,934,499
Cash (used in) operations	(213,890,990,575)	(142,464,792,778)
Interest Received	98,836,693,975	76,812,350,194
Dividend Received	7,632,658,221	1,555,435,640
Interest Paid	(54,668,204,836)	(44,166,385,274)
Income taxes paid (Net)	(8,729,590,862)	(8,169,095,565)
<b>Net cash (used in) operating activities</b>	<b>(170,819,434,077)</b>	<b>(116,432,487,783)</b>
<b>B Cash flows from investing activities :</b>		
Purchase of Fixed Assets	(560,632,890)	(350,501,265)
Sale of Fixed Assets	3,217,082	1,412,244
Movement in Capital Advances	(686,655,100)	1,038,061,618
(Investment in) / Proceeds from deposit accounts	(720,736,110)	449,365,272
Investments in Mutual Funds	(26,501,646,753)	(44,469,482,803)
Investments in Other Long Term Investments (Net)	(545,595,551)	-
Investment in Subsidiary / Associate / Other Long term Investments	(6,519,515)	(6,639,496,000)
<b>Net cash (used in) investing activities</b>	<b>(29,018,568,837)</b>	<b>(49,970,640,934)</b>
<b>C Cash flows from financing activities :</b>		
Proceeds from Issue of Equity Share through ESOPs (Including Securities Premium)	791,776,744	715,212,482
Proceeds from Conversion of Share Warrants (Including Securities Premium)	-	1,494,832,500
Proceeds from Qualified Institutional Placement(Including Securities Premium) (Net)	-	39,291,719,457
Application Money received against ESOPs	4,051,375	-

# CONSOLIDATED CASH FLOW STATEMENT

OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
Distribution of Equity Dividends (including Corporate Dividend Tax thereon)	(13,778,027,088)	(21,423,492,594)
Debenture issue expenses	(1,798,965,392)	(311,094,068)
Proceeds from Term loans (Net)	36,455,486,071	45,957,353,869
Proceeds from issue of Commercial Papers (Net)	63,140,000,000	12,840,000,000
Net proceeds from issue of Secured Redeemable Non-Convertible Debentures	145,202,587,833	67,133,832,580
Net proceeds from issue of Unsecured Redeemable Non-Convertible Debentures	1,988,616,000	-
Net proceeds from issue of Subordinated Debt	6,097,000,000	1,731,500,000
(Repayment of) / Net proceeds from Working capital loans	(12,193,312,984)	5,869,792,287
<b>Net cash flows from financing activities</b>	<b>225,909,212,559</b>	<b>153,299,656,513</b>
<b>D Net Increase / (Decrease) in cash and cash equivalents (A+B+C)</b>	<b>26,071,209,645</b>	<b>(13,103,472,204)</b>
<b>E Cash and cash equivalents at the beginning of the year</b>	<b>50,776,541,337</b>	<b>63,880,013,541</b>
<b>F Cash and cash equivalents at the end of the year (D + E)</b> <small>(Refer Note 5 below)</small>	<b>76,847,750,982</b>	<b>50,776,541,337</b>

## Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS) - 3 on 'Cash Flow Statements'.
- Trade payables and other liabilities include ₹ 7,196,603,420 (Previous Year ₹ 2,235,256,408) being amount payable (net) on assigned loans. (Refer Note 12)
- Margin Deposits of ₹ 6,327,030,575 (Previous Year ₹ 5,800,995,137) have been placed as collateral for Assignment deals on which assignees have a paramount lien. (Refer Note 19 & 22)
- Deposits of ₹ 1,016,338,142 (Previous Year ₹ 821,637,470) are under lien with Bank. (Refer Note 22)
- Cash and cash equivalents at the end of the year include:

Cash and cash equivalents <small>(Refer Note 22)</small>	56,825,290,027	29,017,008,725
Other Current Investments considered as temporary deployment of funds <small>(Refer Note 20)</small>	25,496,295,672	25,809,914,422
	<b>82,321,585,699</b>	<b>54,826,923,147</b>
Less: In deposit accounts held as margin money and deposits under lien	5,473,834,717	4,050,381,810
	<b>76,847,750,982</b>	<b>50,776,541,337</b>
- Unclaimed Dividend account balances in designated bank accounts are not available for use by the Company. (Refer Note 22)
- Previous Year's figures are regrouped wherever considered necessary to conform with Current Year's groupings and classification.

In terms of our report attached  
For Deloitte Haskins & Sells LLP  
Chartered Accountants

A. Siddharth  
Partner

Mumbai, April 24, 2017

For and on behalf of the Board of Directors

Sameer Gehlaut  
Chairman /  
Whole Time Director  
DIN : 00060783

Mukesh Garg  
CFO

New Delhi, April 24, 2017

Gagan Banga  
Vice-Chairman,  
Managing Director & CEO  
DIN : 00010894

Amit Jain  
Company Secretary

Ashwini Omprakash Kumar  
Whole Time Director  
DIN : 03341114

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017

#### (1) SIGNIFICANT ACCOUNTING POLICIES

##### i) Basis of accounting and preparation of consolidated financial statements:

The consolidated financial statements of the Company and its subsidiaries (together the 'Group') have been prepared under the historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and Accounting Standards (AS) under Section 133 of the Companies Act, 2013 and the relevant Provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act") as applicable. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

##### ii) Principles of Consolidation:

The Consolidated Financial Statements relate to Indiabulls Housing Finance Limited (the 'Company' 'Parent') and its direct and indirect subsidiaries (collectively referred to as 'the Group'). The consolidated financial statements have been prepared using uniform accounting policies and on the following basis:

- (i) The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group transactions, intra-group balances and resultant unrealised profits/ losses.
- (ii) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to the shareholders of the Company.
- (iii) Investments of the Group in associate companies is accounted as per the Equity

##### v) Following Associate and Subsidiary Companies have been considered in the preparation of the Consolidated Financial Statements:

Name of Associate	Country of Incorporation	Year / Period	Ownership interest (%)	Original cost of investment (₹)	Share of post acquisition Reserves and Surplus (₹)	Carrying cost of Investment (₹)	Statutory Auditor
OakNorth Holdings Limited*	Jersey	15-February-17 to 31-March-17	38.73%	6,633,121,000	16,606,192	6,530,015,566	Singal & Company
		01-January-17 to 14-February-17	39.56%		15,482,663		
		01-November-16 to 31-December-16	39.72%		11,258,449		
		01-April-16 to 31-October-16	39.76%		(64,938,494)		
		13-November-15 to 31-March-16			(81,514,244)	6,551,606,756	

\*Refer Note 16(4)

Method under Accounting Standard 23 – 'Accounting for Investments in Associates in Consolidated Financial Statements'.

- (iv) The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Company i.e., March 31, 2017. These have been consolidated based on latest available financial statements.

##### iii) Goodwill / Capital Reserve on consolidation:

Goodwill / Capital Reserve represents the difference between the Company's share in the net worth of subsidiaries, and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Company's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of the respective acquisition. Capital Reserve on consolidation is adjusted against Goodwill on consolidation, if any. The Goodwill on consolidation is evaluated for impairment whenever events or changes in circumstances indicate that its carrying amount may have been impaired.

##### iv) Investment in Associates:

Investment in entities in which the Company has significant influence but not a controlling interest are reported according to the equity method i.e. the investment is initially recorded at cost, identifying any goodwill / capital reserve arising at the time of acquisition. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the investor's share of net assets of the investee. The consolidated Statement of Profit and Loss includes the investor's share of results of the operations of the investee.



## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(b) Name of subsidiaries	Country of Incorporation	Year / Period ended included In consolidation	Proportion of Ownership Interest	Statutory Auditor
Indiabulls Collection Agency Limited	India	01-April-2016 to 31-March-2017	100%	A Sardana & Co.
		01-April-2015 to 31-March-2016		
Ibulls Sales Limited	India	01-April-2016 to 31-March-2017	100%	A Sardana & Co.
		01-April-2015 to 31-March-2016		
Indiabulls Insurance Advisors Limited	India	01-April-2016 to 31-March-2017	100%	Sumit Mohit & Company
		01-April-2015 to 31-March-2016		
Indiabulls Capital Services Limited	India	01-April-2016 to 31-March-2017	100%	Sumit Mohit & Company
		01-April-2015 to 31-March-2016		
Nilgiri Financial Consultants Limited	India	01-April-2016 to 31-March-2017	100%	A Sardana & Co.
		01-April-2015 to 31-March-2016		
Indiabulls Commercial Credit Limited (Formerly Indiabulls Infrastructure Credit Limited)	India	01-April-2016 to 31-March-2017	100%	A Sardana & Co.
		01-April-2015 to 31-March-2016		
Indiabulls Advisory Services Limited	India	01-April-2016 to 31-March-2017	100%	Sumit Mohit & Company
		01-April-2015 to 31-March-2016		
Indiabulls Asset Holding Company Limited	India	01-April-2016 to 31-March-2017	100%	A Sardana & Co.
		01-April-2015 to 31-March-2016		
Indiabulls Life Insurance Company Limited	India	01-April-2016 to 31-March-2017	100%	A Sardana & Co.
		01-April-2015 to 31-March-2016		
Indiabulls Asset Management Company Limited	India	01-April-2016 to 31-March-2017	100%	A Sardana & Co.
		01-April-2015 to 31-March-2016		
Indiabulls Trustee Company Limited	India	01-April-2016 to 31-March-2017	100%	Kumar Singhal & Co.
		01-April-2015 to 31-March-2016		
Indiabulls Holdings Limited	India	01-April-2016 to 31-March-2017	100%	Sumit Mohit & Company
		01-April-2015 to 31-March-2016		
Indiabulls Venture Capital Management Company Limited	India	01-April-2016 to 31-March-2017	100%	Sumit Mohit & Company
		01-April-2015 to 31-March-2016		
Indiabulls Venture Capital Trustee Company Limited	India	01-April-2016 to 31-March-2017	100%	Kumar Singhal & Co.
		01-April-2015 to 31-March-2016		
Indiabulls Asset Reconstruction Company Limited*	India	01-April-2016 to 02-October-2016	100.00%	A Sardana & Co.
		20-June-2015 to 31-March-2016		
		05-May-2015 to 19-June-2015	87.50%	
		01-April-2015 to 04-May-2015	75.00%	
Indiabulls Asset Management Mauritius**	Mauritius	18-July-2016 to 31-March-2017	100.00%	Deloitte (Mauritius)

The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Company for its independent financial statements.

\*Refer Note 16(2)

\*\*Refer Note 16(6)

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

v) 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	Net Assets* i.e., total assets minus total liabilities				Share in profit or loss**			
	March 31, 2017		March 31, 2016		March 31, 2017		March 31, 2016	
	As % of consolidated net assets	Amount in ₹	As % of consolidated net assets	Amount in ₹	As % of consolidated profit or loss	Amount in ₹	As % of consolidated profit or loss	Amount in ₹
<b>Parent</b>								
Indiabulls Housing Finance Limited	86.95%	104,809,471,889	84.78%	90,095,123,263		27,962,142,615	96.21%	22,626,330,455
<b>Subsidiaries</b>								
<b>Indian</b>								
1. Indiabulls Collection Agency Limited	0.16%	194,629,175	0.17%	185,545,982		9,083,199	0.03%	9,871,465
2. Bulls Sales Limited	0.06%	671,69,227	0.06%	64,067,523		43,101,704	0.15%	30,013,510
3. Indiabulls Insurance Advisors Limited	0.04%	42,311,135	0.04%	40,134,214		2,176,920	0.01%	1,670,080
4. Nilgiri Financial Consultants Limited	0.00%	3,554,923	0.00%	(532,803)		11,191,302	0.04%	11,737,693
5. Indiabulls Capital Services Limited	0.09%	108,108,702	0.10%	104,836,578		3,272,124	0.01%	2,939,932
6. Indiabulls Commercial Credit Limited (formerly known as Indiabulls Infrastructure Credit Limited)	6.65%	8,014,025,707	7.97%	8,464,530,201		963,171,442	3.31%	825,066,975
7. Indiabulls Advisory Services Limited	0.05%	64,839,906	0.02%	26,178,956		29,390,578	0.10%	1,049,734
8. Indiabulls Asset Holding Company Limited	0.00%	575,333	0.00%	353,110		222,222	0.00%	270,321
9. Indiabulls Life Insurance Company Limited	0.00%	1,547,083	0.00%	1,531,764		15,318	0.00%	40,177
10. Indiabulls Asset Management Company Limited	0.58%	704,990,552	0.60%	640,948,861		64,041,690	0.22%	16,074,651
11. Indiabulls Trustee Company Limited	0.00%	4,812,107	0.01%	5,646,496		(834,387)	0.00%	(941,283)
12. Indiabulls Holdings Limited	0.00%	586,975	0.00%	640,236		(53,260)	0.00%	235,954
13. Indiabulls Venture Capital Management Company Limited	0.00%	639,417	0.00%	554,942		84,475	0.00%	155,656
14. Indiabulls Venture Capital Trustee Company Limited	0.00%	626,846	0.00%	530,840		96,005	0.00%	156,788
15. Indiabulls Asset Reconstruction Company Limited	N.A.	N.A.	0.08%	86,104,888		1,663,750	0.01%	4,305,519
16. Indiabulls Asset Management Mauritius	0.00%	(1,189,794)	N.A.	N.A.		(3,246,330)	(0.01%)	N.A.
<b>Associate (Investment as per Equity Method)</b>								
<b>Foreign</b>								
1. OakNorth Holdings Limited (Refer Note 16(d))	5.42%	6,530,015,566	6.17%	6,551,606,756		(21,591,190)	(0.07%)	(81,514,244)
<b>Total</b>	<b>100.00%</b>	<b>120,546,714,749</b>	<b>100.00%</b>	<b>106,267,801,807</b>	<b>100.00%</b>	<b>29,063,928,177</b>	<b>100.00%</b>	<b>23,447,463,383</b>

\* Share of Minority Interest is considered as a part of Consolidated Net Assets.

\*\* Profit is before Share of Minority Interest.

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### vii) Prudential Norms:

The Company follows The Housing Finance Companies (NHB) Directions, 2010 (“NHB Directions, 2010”) as amended from time to time, in respect of income recognition, income from investments, accounting of investments, asset classification, disclosures in the Balance Sheet and provisioning. The Non Banking Financial Companies in the Group follows the Reserve Bank of India (“RBI”) Directions in respect of “Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 dated March 27, 2015 and as amended from time to time (“RBI Directions, 2015”), in respect of income recognition, income from investments, accounting of investments, asset classification, disclosures in the Balance Sheet and provisioning. Accounting Standards (AS) under Section 133 of the Companies Act, 2013 and Guidance Notes issued by The Institute of Chartered Accountants of India (“ICAI”) are followed insofar as they are not inconsistent with the NHB Directions, 2010 / RBI Directions, 2015.

#### viii) Use of Estimates:

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

#### ix) Revenue Recognition:

Interest Income from financing and investing activities and others is recognised on an accrual basis. In terms of the NHB Directions, 2010 / RBI Directions, 2015 interest income on Non-performing assets (‘NPAs’) is recognised only when it is actually realised.

Processing Fees in respect of loans given is recognised on log in / disbursement as per the terms of the contract.

Income from Fee Income from Services is recognised on an accrual basis.

Commission on insurance policies sold is recognised when the Company under its agency

code sells the insurance policies and when the same is accepted by the principal insurance company.

Additional /overdue interest/ charges is recognised only when it is reasonably certain that the ultimate collection will be made.

Repayment of loans is as stipulated in the respective loan agreements or by way of Equated Monthly installments (EMI’s) comprising principal and interest. EMIs commence generally once the entire loan is disbursed however on request of customer it commences even before the entire loan is disbursed . In case of pending commencement of EMIs, Pre-EMI interest is payable every month and accounted for on accrual basis.

Dividend income on Equity Shares is recognised when the right to receive the dividend is unconditional as at the Balance Sheet date. In terms of the Housing Finance Companies (NHB) Directions 2010 / RBI Directions, 2015 wherever applicable, Dividend Income on units of Mutual Fund(s) held by the Company are recognised on cash basis as per the NHB Directions, 2010 / RBI Directions, 2015.

Interest Income on Deposit Accounts are recognised on accrual basis.

Income from management fees are recognised on an accrual basis in accordance with the SEBI regulations.

The net gain/loss on account of Investments in Debentures/Bonds/Certificate of Deposit/ Commercial papers and Government Securities is recognised on trade date basis. Interest Income is recognised on accrual basis.

Trusteeship Income is recognised on accrual basis.

#### x) Securitisation / Assignment of Loan portfolio:

Derecognition of loans assigned/securitised in the books of the Company, recognition of gain / loss arising on securitisation /assignment and accounting for credit enhancements provided by the Company is based on the guidelines issued by The Institute of Chartered Accountants of India.

Derecognition of loans assigned / securitised in the books of the Company is based on the principle of surrender of control over the loans resulting in a “true sale” of loans.

Residual income on Assignment / Securitisation of Loans is recognised over the life of the underlying loans and not on an upfront basis.

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

Credit enhancement in the form of cash collateral, if provided by the Company, by way of deposits and pass through certificates included under Cash and cash equivalents / Other non-current assets / Investments, as applicable.

**xi) Fixed Assets:**

(a) Tangible assets – Property, Plant and Equipment:

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

(b) Intangible Assets:

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

**xii) Depreciation and Amortisation:**

Depreciation on tangible fixed assets is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except for Vehicles.

Vehicles are amortised on a straight line basis over a period of five years from the date when the assets are available for use. The life has been assessed based on past usage experience and considering the change in technology.

Depreciation on additions to fixed assets is provided on a pro-rata basis from the date the asset is put to use. Leasehold improvements are amortised over the period of Lease. Depreciation on sale / deduction from fixed assets is provided for up to the date of sale / deduction, as the case may be.

Assets costing less than ₹ 5,000 each are fully depreciated in the year of capitalisation.

Intangible assets consisting of Software are amortised on a straight line basis over a period of four years from the date when the assets are available for use.

**xiii) Impairment of Assets:**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's net selling price and

its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**xiv) Taxes on Income:**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which during the specified period gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on all timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws substantively enacted as at the Balance Sheet date, to the extent that the timing differences are expected to crystallise / capable of reversal in one or more subsequent periods.

Deferred Tax Assets are recognised where realisation is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognised only if there is virtual certainty of realisation backed by convincing evidence that there will be sufficient future taxable income available to realise such assets. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

**xv) Share/Debenture Issue Expenses and Premium/Discount on Issue:**

Share / Debenture issue expenses, net of tax, are adjusted against the Securities Premium Account, as permissible under Section 52(2) of the Companies Act, 2013, to the extent of balance available and thereafter, the balance portion is charged to the Statement of Profit and Loss, as incurred.

Premium / Discount on Issue of debentures, net of tax, are adjusted against the Securities Premium Account, as permissible under 52(2) of the Companies Act, 2013, to the extent of balance available and thereafter, the balance portion is charged to the Statement of Profit and Loss, as incurred.

**xvi) Investments:**

Investments are classified as long term and current investments. Long term investments are carried individually at cost less provision, if any, for diminution other than temporary in the value of such investments. In terms of NHB Directions, 2010 / RBI Directions 2015, quoted Current investments are valued at lower of cost or market value. Unquoted current investments in units of Mutual Funds are valued as per Net Asset Value of the Plan. Provision for diminution in value of investments is made in accordance with the NHB Directions, 2010 / RBI Directions, 2015 and Accounting Standard (AS) - 13 'Accounting for Investments'. Investments are classified as long term and current investments. Long term investments are carried individually at cost less provision, if any, for diminution other than temporary in the value of such investments. In terms of NHB Directions, 2010 / RBI Directions 2015, quoted Current investments are valued at lower of cost or market value. Unquoted current investments in units of Mutual Funds are valued as per Net Asset Value of the Plan. Provision for diminution in value of investments is made in accordance with the NHB Directions, 2010 / RBI Directions, 2015 and Accounting Standard (AS) - 13 'Accounting for Investments'.

**xvii) Employee benefits:**

The Company's contribution to Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The Company has unfunded defined benefit plans as Compensated Absences and Gratuity for all

eligible employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using the 'Projected Unit Credit Method'. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised in the Statement of Profit and Loss as income or expenses, as applicable. Superannuation (Pension & Medical coverage) payable to a Director on retirement is actuarially valued at the end of the year using the Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of change in actuarial assumptions and are recognised in the Statement of Profit and Loss as income or expenses as applicable. The Company's contribution to Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The Company has unfunded defined benefit plans as Compensated Absences and Gratuity for all eligible employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using the 'Projected Unit Credit Method'. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised in the Statement of Profit and Loss as income or expenses, as applicable. Superannuation (Pension & Medical coverage) payable to a Director on retirement is actuarially valued at the end of the year using the Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of change in actuarial assumptions and are recognised in the Statement of Profit and Loss as income or expenses as applicable.

**xviii) Commercial Papers:**

The liability is recognised at the face value of the Commercial Paper at the time of its issue. The discount on issue of Commercial Papers is amortised over the tenure of the instrument.

**xix) Borrowing Cost:**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost of the asset. Ancillary costs in connection with long-term external commercial borrowings are amortised to the Statement of Profit and Loss over the tenure of the loan. All other borrowing costs are charged to the Statement of Profit and Loss.



## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

**xx) Deferred Employee Stock Compensation Cost:**

Deferred employee stock compensation cost for stock options are recognised on the basis of generally accepted accounting principles and are measured by the difference between the intrinsic value of the Company's shares of stock options at the grant date and the exercise price to be paid by the option holders. The compensation expense is amortised over the vesting period of the options. The fair value of options for disclosure purpose is measured on the basis of a valuation certified by an independent firm of Chartered Accountants in respect of stock options granted. Deferred employee stock compensation cost for stock options are recognised on the basis of generally accepted accounting principles and are measured by the difference between the intrinsic value of the Company's shares of stock options at the grant date and the exercise price to be paid by the option holders. The compensation expense is amortised over the vesting period of the options. The fair value of options for disclosure purpose is measured on the basis of a valuation certified by an independent firm of Chartered Accountants in respect of stock options granted.

**xxi) Leases:**

In case of assets taken on operating lease, the lease rentals are charged to the Statement of Profit and Loss on a straight line basis in accordance with Accounting Standard (AS) 19 – Leases.

**xxii) Segment Reporting:**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Management in deciding how to allocate resources and in assessing performance. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses / assets / liabilities.

**xxiii) Derivative financial instruments and hedging activities:**

The Company's activities expose it to the financial risks of changes in foreign exchange rates and interest rates. The Company uses derivative contracts such as foreign exchange

forward, cross currency contracts, interest rate swaps, foreign currency futures, options and swaps to hedge its exposure to movements in foreign exchange rates and interest rates. The use of these foreign exchange and forward contracts reduce the risk or cost to the Company and the Company does not use those for trading or speculation purposes.

The Company uses hedging instruments that are governed by the policies of the Company which are approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company.

Effective April 1, 2016, the Company has followed Guidance Note on Accounting for Derivative Contracts for accounting of derivative instrument, to the extent that the adoption did not conflict with existing accounting standards and other authoritative pronouncements of the Company Law and other regulatory requirements.

Derivative financial instruments are initially measured at fair value on the contract date and are subsequently re-measured to fair value at each reporting date. Derivatives are classified as assets when the fair value is positive (positive marked to market value) or as liabilities when the fair value is negative (negative marked to market value). Derivative assets and liabilities are recognised on the balance sheet at fair value. Changes in the fair value of derivatives other than those designated as hedges are recognised in the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, no longer qualifies for hedge accounting or the Company chooses to end the hedging relationship.

Effective January 1, 2017, the company has designated certain Interest Rate Swaps (IRS) as hedging instrument. Interest rate swaps are held to manage the interest rate exposures and are designated as fair value or cash flow hedges, as applicable. The Accounting for such designated contracts is as follows:

**Fair value hedges**

The Company uses IRS instruments to convert a proportion of its fixed rate debt to floating rates in order to hedge the interest rate risk arising, principally, from issue of non-convertible debentures. Company designates these as fair value hedges of interest rate risk. Changes in the fair values of derivatives designated as fair value hedges and changes in fair value of the related

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

hedged item are recognised directly in Statement of Profit and Loss thus ineffective portion being recognised in the Statement of Profit and Loss.

#### Cash Flow hedges

The Company uses Interest Rate Swaps (IRS) Contracts (Floating to Fixed) to hedge its risks associated with interest rate fluctuations relating interest rate risk arising from foreign currency loans / external commercial borrowings. The Company designates such IRS contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in "Guidance Note on Accounting for Derivative Contracts" issued by the ICAI. These IRS contracts are stated at fair value at each reporting date. Changes in the fair value of these IRS contracts that are designated and effective as hedges of future cash flows are recognised directly in "Cash Flow Hedge Reserve" under Reserves and surplus and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

#### xxiv) Foreign Currency Transactions and Translations :

- i. Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.
- ii. Monetary items denominated in foreign currencies at the year end are translated at year end rates. In case of Forward Foreign Exchange Contract (FEC) and cross currency swaps, the difference between the year-end rate and the rate on the date of the contract is recognised as exchange difference and the premium on such forward contracts is recognised over the life of the forward contract. Any profit/loss arising on cancellation or renewal of forward contract is recognised as income or expense for the period in which such cancellation or renewal is made.
- iii. Non monetary foreign currency items are carried at cost.
- iv. Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.
- v. The exchange differences arising on settlement / restatement of long-term monetary items which do not relate to

acquisition of depreciable fixed assets are amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss. The unamortised exchange differences are carried in the Balance Sheet as "Foreign Currency Monetary Item Translation Difference Account" net of the tax effect thereon, where applicable.

#### xxv) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. Contingent liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made. Contingent Assets are not recognised in the financial statements.

#### xxvi) Stock of Securities:

Stock of securities is valued at lower of cost and net realisable value. Cost is determined on weighted average basis.

#### xxvii) Equity Index / Stock Futures:

- a) Initial Margin – Equity Index/ Stock Futures, representing the initial margin paid, and Margin Deposits representing additional margin paid over and above the initial margin, for entering into a contract for equity index/ stock futures which are released on final settlement/squaring-up of the underlying contract, are disclosed under Loans and Advances.
- b) Equity index/ stock futures are marked-to-market on a daily basis. Debit or credit balance disclosed under Loans and Advances or Current Liabilities, respectively, in the Mark-to-Market Margin – Equity Index/ Stock Futures Account, represents the net amount paid or received on the basis of movement in the prices of index/ stock

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

futures till the Balance Sheet date.

- c) As on the Balance Sheet date, profit/loss on open positions in equity index/stock futures is accounted for as follows:
- Credit balance in the Mark-to-Market Margin – Equity Index/Stock Futures Account, being the anticipated profit, is ignored and no credit for the same is taken in the Statement of Profit and Loss.
  - Debit balance in the Mark-to-Market Margin – Equity Index/Stock Futures Account, being the anticipated loss, is adjusted in the Statement of Profit and Loss.
- d) On final settlement or squaring-up of contracts for equity index/stock futures, the profit or loss is calculated as the difference between the settlement/squaring-up price and the contract price. Accordingly, debit or credit balance pertaining to the settled/squared-up contract in Mark-to-Market Margin – Equity Index/Stock Futures Account after adjustment of the provision for anticipated losses is recognised in the Statement of Profit and Loss. When more than one contract in respect of the relevant series of equity index/stock futures contract to which the squared-up contract pertains is outstanding at the time of the squaring-up of the contract, the contract price of the contract so squared-up is determined using the weighted average cost method for calculating the profit/loss on squaring-up.

#### (2) CORPORATE INFORMATION:

The Company is engaged in the business to provide finance and to undertake all lending and finance to any person or persons, co-operative society, association of persons, body of individuals, companies, institutions, firms, builders, developers, contractors, tenants and others either at interest or without and/or with or without any security for construction, erection, building, repair, remodeling, development, improvement, purchase of houses, apartments, flats, bungalows, rooms, huts, townships and/or other buildings and real estate of all descriptions or

convenience there on and to equip the same or part thereof with all or any amenities or conveniences, drainage facility, electric, telephonic, television, and other installations, either in total or part thereof and / or to purchase any free hold or lease hold lands, estate or interest in any property and such other activities as may be permitted under the Main Objects of the Memorandum of Association of the Company.

The Board of Directors of Indiabulls Housing Finance Limited (100% subsidiary of “IBFSL”) and Indiabulls Financial Services Limited (“IBFSL”, “Erstwhile Holding Company”) at their meeting held on April 27, 2012 had approved the Scheme of Arrangement involving the reverse merger of IBFSL with the Company in terms of the provisions of Sections 391 to 394 of the Companies Act, 1956 (the “Scheme of Arrangement”). The Appointed Date of the proposed merger fixed under the Scheme of Arrangement was April 1, 2012. The Hon’ble High Court of Delhi, vide its Order dated December 12, 2012, received by the Company on February 8, 2013, approved the Scheme of Arrangement. In terms of the Court approved Scheme of Arrangement, with the filing of the copy of the Order, on March 8, 2013, with the office of ROC, NCT of Delhi & Haryana (the Effective Date), IBFSL, as a going concern, stands amalgamated with IBHFL with effect from the Appointed Date, being April 1, 2012.

Indiabulls Financial Services Limited (“IBFSL”) was incorporated on January 10, 2000 as a Private Limited Company. On March 30, 2001, the Company was registered under Section 45-IA of the Reserve Bank of India (RBI) Act, 1934 to carry on the business of a Non-Banking Financial Company. The Company was converted into a public limited Company pursuant to Section 44 of the Companies Act, 1956 on February 03, 2004.

Indiabulls Housing Finance Limited (“the Company”) (“IBHFL”) was incorporated on May 10, 2005. On December 28, 2005 the Company was registered under Section 29A of the National Housing Bank Act, 1987 to commence / carry on the business of a Housing Finance Institution without accepting public deposits. The Company is required to comply with provisions of the National Housing Bank Act, 1987, the Housing Finance Companies (NHB) Directions, 2010 and other guidelines/ instructions / circulars issued by the National Housing Bank from time to time.

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (3) SHARE CAPITAL

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>Authorised</b>		
3,000,000,000 (Previous Year 3,000,000,000) Equity Shares of face value ₹ 2 each	6,000,000,000	6,000,000,000
1,000,000,000 (Previous Year 1,000,000,000) Preference Shares of face value ₹10 each	10,000,000,000	10,000,000,000
<b>Issued, subscribed and fully paid up<sup>(i) to (vii)</sup></b>		
423,856,040 (Previous Year 421,291,962) Equity Shares of Face Value ₹ 2 (Previous Year ₹ 2 each) fully paid up	847,712,080	842,583,924
The Company has only one class of Equity Shares of face value ₹ 2 each (Previous Year ₹ 2) each fully paid up. Each holder of Equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the Shareholders in the ensuing Annual General Meeting, if applicable.		
In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.		
	<b>847,712,080</b>	<b>842,583,924</b>

- (i) Indiabulls Financial Services Limited (“Erstwhile Holding Company”) had issued Global Depository Receipts (GDR’s) which were transferred under the Scheme of Arrangement in financial year 2012-13. As at March 31, 2017 3,199,409 (Previous Year 3,019,521) GDR’s were outstanding and were eligible for conversion into Equity Shares. The Company does not have information with respect to holders of these GDR’s. Holders of Global Depository Receipts (GDRs) will be entitled to receive dividends, subject to the terms of the Deposit Agreement, to the same extent as the holders of Equity Shares, less the fees and expenses payable under such Deposit Agreement and any Indian tax applicable to such dividends. Holders of GDRs will not have voting rights with respect to the Deposited Shares. The GDRs may not be transferred to any person located in India including Indian residents or ineligible investors except as permitted by Indian laws and regulations.
- (ii) 312,511,167(Previous Year 312,511,167) equity Shares were allotted by the Company, for consideration other than cash to the shareholders of Erstwhile Holding Company pursuant to and in terms of the Scheme of Arrangement, approved by the Hon’ble High Court of Delhi vide its Order dated December 12, 2012, which came into effect on March 8, 2013 from the Appointed Date April 1, 2012. (Refer Note 39).
- (iii) **Reconciliation of the number of shares and amount outstanding at the beginning and at the end of financial year:-**

Particulars	March 31, 2017		March 31, 2016	
	Equity Shares		Equity Shares	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Opening Balance	421,291,962	842,583,924	355,564,466	711,128,932
Add: Equity Shares of ₹ 2 each issued during the year*	2,564,078	5,128,156	65,727,496	131,454,992
<b>Closing Balance</b>	<b>423,856,040</b>	<b>847,712,080</b>	<b>421,291,962</b>	<b>842,583,924</b>

\* Includes 2,564,078 (Previous Year 2,149,424) Equity Shares of ₹ 2 each issued during the year, under various ESOP Schemes aggregating to ₹ 5,128,156 (Previous Year ₹ 4,298,848), Nil (Previous Year 6,643,700) Equity Shares of ₹ 2 each issued during the year to eligible warrant holders<sup>(Refer Note 5(i))</sup> against outstanding Share warrants aggregating to ₹ Nil (Previous Year ₹ 13,287,400) and Nil Equity Shares ₹ 2 each issued during the year (Previous Year ₹ 56,934,372) under Qualified Institutions Placement<sup>(Refer Note 5(ii))</sup> aggregating to ₹ Nil (Previous Year ₹ 113,868,744).

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(iv) **Shares held by Shareholders holding more than 5% shares:-**

<b>Promoter</b>	<b>As at March 31, 2017</b>	
	<b>No. of Shares held</b>	<b>% of Holding</b>
SG Advisory Services Private Limited	35,404,779	8.35%
<b>Non - Promoters</b>		
Europacific Growth Fund	26,207,577	6.18%
<b>As at March 31, 2016</b>		
<b>Promoter</b>	<b>No. of Shares held</b>	<b>% of Holding</b>
Mr. Sameer Gehlaut	37,601,278	8.93%
<b>Non - Promoters</b>		
Copthall Mauritius Investment Limited	22,101,194	5.25%
Europacific Growth Fund	26,207,577	6.22%

(v) **Employees Stock Options Schemes:**

- (a) Indiabulls Financial Services Limited (“Erstwhile Holding Company”) <sup>(Refer Note 39)</sup> and its erstwhile subsidiary, Indiabulls Credit Services Limited (“ICSL”) had announced ESOS / ESOP schemes for its employees and the employees of its group companies wherein each option represents one Equity Share of the Company. The Company has adopted the ESOS / ESOP schemes in respect of its employees. A Compensation Committee constituted by the Board of Directors administers each of the plans.

**Stock option schemes of the erstwhile Holding Company including schemes in lieu of stock options schemes of erstwhile fellow subsidiary Indiabulls Credit Services Limited transferred under the Court approved Scheme of Arrangement<sup>(Refer Note 39)</sup> :**

<b>S. No.</b>	<b>ERSTWHILE ICSL PLANS</b>	<b>NEW PLANS*</b>
1	IBFSL – ICSL Employees Stock Option Plan – 2006	IBHFL- IBFSL Employees Stock Option Plan – 2006
2	IBFSL – ICSL Employees Stock Option Plan II – 2006	IBHFL - IBFSL Employees Stock Option Plan II – 2006
3	IBFSL – Employees Stock Option – 2008	IBHFL - IBFSL Employees Stock Option – 2008

\* The name of the schemes have been revised by the approval of the Shareholders of the Company in the 8th Annual General Meeting held on July 1, 2013.

(b) **Indiabulls Housing Finance Limited Employees Stock Option Scheme-2013**

The members of the Company at their Meeting dated March 6, 2013 approved the IBHFL ESOS - 2013 scheme consisting of 39,000,000 stock options representing 39,000,000 fully paid up Equity Shares of ₹ 2 each of the Company to be issued in one or more tranches to eligible employees of the Company or to eligible employees of the subsidiaries / step down subsidiaries of the Company. The Compensation Committee constituted by the Board of Directors of the Company has, at its meeting held on October 11, 2014, granted, 10,500,000 Stock Options representing an equal number of equity shares of face value of ₹ 2 each at an exercise price of ₹ 394.75, being the then latest available closing market price on the National Stock Exchange of India Ltd. as on October 10, 2014 following the intrinsic method of accounting as is prescribed in the Guidance Note issued by the Institute of Chartered Accountants of India on Accounting for Employees Share Based Payments (“the Guidelines”). As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. These options vest with effect from the first vesting date i.e. October 11, 2015, whereby the options vest on each vesting date as per the vesting schedule provided in the Scheme.



## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(c) The other disclosures in respect of the ESOS / ESOP Schemes are as under:-

Particulars	IBHFL-IBFSL Employees Stock Option Plan – 2006	IBHFL-IBFSL Employees Stock Option Plan II – 2006	IBHFL-IBFSL Employees Stock Option – 2008	IBHFL ESOS - 2013	IBHFL-IBFSL Employees Stock Option – 2008 -Regrant
Total Options under the Scheme	1,440,000	720,000	7,500,000	39,000,000	N.A.
Options issued	1,440,000	720,000	7,500,000	10,500,000	N.A.
Vesting Period and Percentage	Four years, 25% each year	Four years, 25% each year	Ten years, 15% First year, 10% for next eight years and 5% in last year	Five years, 20% each year	N.A.
Vesting Date	1st April	1st November	8th December	12th October	31st December
Revised Vesting Period & Percentage	Eight years, 12% each year for 7 years and 16% during the 8th year	Nine years, 11% each year for 8 years and 12% during the 9th year	N.A.	N.A.	Ten years, 10% for every year
Exercise Price (₹)	41.67	100.00	95.95	394.75	125.90
Exercisable Period	4 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	58,536	46,422	1,228,919	8,686,025	33,840
Regrant Addition	N.A.	N.A.	N.A.	N.A.	N.A.
Regrant Date	N.A.	N.A.	N.A.	N.A.	December 31, 2009
Options vested during the year (Nos.)	55,656	24,168	412,335	2,062,000	6,390
Exercised during the year (Nos.)	55,656	29,682	493,666	1,830,144	11,430
Expired during the year (Nos.)	-	-	-	-	-
Cancelled during the year	-	-	-	-	-
Lapsed during the year	2,880	396	11,075	160,800	2,700
Re-granted during the year	-	-	-	-	N.A.
Outstanding at the end of the year (Nos.)	-	16,344	724,178	6,695,081	19,710
Exercisable at the end of the year (Nos.)	-	16,344	105,672	597,881	540
Remaining contractual Life (Weighted Months)	N.A.	49	70	76	80

N.A - Not Applicable

## NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

Particulars	IBHFL-IBFSL Employees Stock Option – 2008-Regrant	IBHFL-IBFSL Employees Stock Option Plan – 2006 - Regrant	IBHFL-IBFSL Employees Stock Option – 2008 -Regrant	IBHFL-IBFSL Employees Stock Option Plan II – 2006 -Regrant
Total Options under the Scheme	N.A.	N.A.	N.A.	N.A.
Options issued	N.A.	N.A.	N.A.	N.A.
Vesting Period and Percentage	N.A.	N.A.	N.A.	N.A.
Vesting Date	16th July	27th August	11th January	27th August
Revised Vesting Period & Percentage	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (₹)	158.50	95.95	153.65	100.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	97,810	237,000	7,500	131,400
Regrant Addition	N.A.	N.A.	N.A.	N.A.
Regrant Date	July 16, 2010	August 27, 2009	January 11, 2011	August 27, 2009
Options vested during the year (Nos.)	19,440	39,500	1,500	21,900
Exercised during the year (Nos.)	19,200	79,000	1,500	43,800
Expired during the year (Nos.)	-	-	-	-
Cancelled during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Re-granted during the year	N.A.	N.A.	N.A.	N.A.
Outstanding at the end of the year (Nos.)	78,610	158,000	6,000	87,600
Exercisable at the end of the year (Nos.)	850	39,500	-	21,900
Remaining contractual Life (Weighted Months)	81	71	87	71

N.A. - Not Applicable

The Fair value of the options as determined by an Independent firm of Chartered Accountants, which has been regranted by the Erstwhile Holding Company under the respective plans using the Black-Scholes Merton Option Pricing Model based on the following parameters are as under:-

Particulars	IBHFL - IBFSL Employees Stock Option – 2008 Regrant	IBHFL - IBFSL Employees Stock Option – 2008 Regrant	IBHFL - IBFSL Employees Stock Option – 2006- Regrant	IBHFL - IBFSL Employees Stock Option Plan II – 2006- Regrant	IBHFL - IBFSL Employees Stock Option – 2008 Regrant	IBHFL - IBFSL Employees Stock Option – 2008	IBHFL ESOS - 2013
Exercise price (₹)	125.90	158.50	95.95	100.00	153.65	95.95	394.75
Expected volatility*	99.61%	99.60%	75.57%	75.57%	99.60%	97.00%	46.30%
Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Option Life (Weighted Average)	9.80 Years	9.80 Years	9.80 Years	9.80 Years	9.80 Years	11 Years	5 Years
Expected Dividends yield	3.19%	2.89%	4.69%	4.50%	2.98%	4.62%	10.00%
Weighted Average Fair Value (₹)	83.48	90.24	106.30	108.06	84.93	52.02	89.76
Risk Free Interest rate	7.59%	7.63%	7.50%	7.50%	7.63%	6.50%	8.57%

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

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### Fair Value Methodology:

As all the other plans were issued based on the fair value of the options on the date of the grant, there is no impact of the same on the net profit and earnings per share. The IBHFL - IBFSL Employees Stock Option Plan – 2008 (including re-grant) and IBHFL ESOS - 2013, were issued at the Intrinsic value of the options on the date of the grant. Had the compensation cost for the stock options granted under 2006 (Regrant) IBHFL - IBFSL Employees Stock Option Plan – 2008 (including re-grant) and IBHFL ESOS - 2013, been determined based on the fair value approach, the Company's net profit and earnings per share would have been as per the pro forma amounts indicated below:-

Particulars	For the year ended March 31, 2017 Amount (₹)	For the year ended March 31, 2016 Amount (₹)
Net Profit available to Equity Share holders (as reported)	29,063,928,177	23,447,329,839
Less: Stock-based compensation expense determined under fair value based method: [Gross ₹ 1,278,131,945 (Previous Year ₹ 1,291,706,139)] (Pro forma)	201,218,840	352,363,368
Net Profit available to Equity Share holders (as per Pro forma)	28,862,709,337	23,094,966,471
Basic earnings per share (as reported)	68.80	59.84
Basic earnings per share (Pro forma)	68.32	58.94
Diluted earnings per share (as reported)	67.98	58.75
Diluted earnings per share (Pro forma)	67.51	57.86

- (vi) During the year ended March 31, 2013, pursuant to the Scheme of Arrangement the Authorised Capital of the Company has been rearranged to ₹ 16,000,000,000 divided into 3,000,000,000 Equity Shares of ₹ 2 each and 1,000,000,000 Preference Shares of ₹ 10 each.
- (vii) 7,785,523 Equity Shares of ₹ 2 each (Previous year 10,527,452) are reserved for issuance towards Employees Stock options as granted.

#### (4) RESERVES AND SURPLUS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>Capital Reserve</b>		
Opening Balance	139,196,727	139,196,727
Add: Transferred during the year	-	-
Closing Balance	139,196,727	139,196,727
<b>Capital Reserve on consolidation</b>		
Opening Balance	-	-
Add: Transferred during the year <sup>(1)</sup>	-	14,208,386
Less : Adjusted Against Goodwill <sup>(Refer Note 15)</sup>	-	(14,208,386)
Closing Balance	-	-
<b>Capital Redemption Reserve</b>		
Opening Balance	63,627,392	63,627,392
Add: Transferred during the year	-	-
Closing Balance	63,627,392	63,627,392
<b>Securities Premium Account</b>		
Opening Balance	73,731,312,932	34,604,243,573
Add: Additions during the year on account of shares issued under ESOPs	786,648,588	710,913,634
Add: Additions during the year on account of shares issued against Share Warrants	-	1,481,545,100
Add: Transfer from Stock Compensation Adjustment Account	12,280,670	-
Add: Additions during the year on account of shares issued under Qualified Institutional Placement	-	39,854,060,400
	74,530,242,190	76,650,762,707

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Less: QIP issue Expenses <sup>(Refer Note 5(ii))</sup>	-	676,209,687
Less: Debenture issue expenses <sup>(Refer Note 5(iii) &amp; 5(iv))</sup> (Net of tax effect of ₹ 427,998,753 (Previous Year ₹ 80,074,699))	1,367,594,733	231,019,369
Less: Premium on Redemption of Non Convertible Debentures (Net of tax effect of ₹ 390,074,254 (Previous Year ₹ 697,465,192))	1,253,293,601	2,012,220,719
Closing Balance	71,909,353,856	73,731,312,932
<b>Stock Compensation Adjustment</b>		
Employee Stock options outstanding	61,403,350	61,403,350
Less: Deferred Employee Stock Compensation expense	2,720,726	5,142,647
Less: Transferred to Securities Premium account	36,842,010	24,561,340
Closing Balance	21,840,614	31,699,363
<b>General Reserve</b>		
Opening Balance	3,929,874,369	3,929,874,369
Add: Amount transferred during the year from Surplus in the Consolidated Statement of Profit and Loss	1,330,000,000	-
Closing Balance	5,259,874,369	3,929,874,369
<b>Foreign Currency Monetary Item Translation Difference Account<sup>(2)</sup></b>		
Opening Balance	(712,390,036)	(84,395,733)
Add: Transferred during the Year	4,310,481	(811,188,881)
Less: Adjusted during the Year	706,988,283	183,194,578
Closing Balance	(1,091,272)	(712,390,036)
<b>Other Reserves:-</b>		
<b>Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961<sup>(3)</sup></b>		
Opening Balance	1,114,597,135	1,068,223,891
Add: Amount transferred during the year from Surplus in the Consolidated Statement of Profit and Loss	79,476,921	46,373,244
Closing Balance	1,194,074,056	1,114,597,135
<b>Statutory Reserve:-</b>		
<b>Reserve (I) as per Section 29C of the Housing Finance Act, 1987<sup>(4)</sup></b>		
Opening Balance	7,024,321,668	5,056,073,955
Add: Amount transferred during the year from Surplus in the Consolidated Statement of Profit and Loss	2,334,765,396	1,968,247,713
Closing Balance	9,359,087,064	7,024,321,668
<b>Reserve (II) as per Section 45-IC of the RBI Act, 1934<sup>(5)</sup></b>		
Opening Balance	5,677,262,504	5,576,172,163
Add: Amount transferred during the year from Surplus in the Consolidated Statement of Profit and Loss	117,098,130	101,090,341
Closing Balance	5,794,360,634	5,677,262,504
<b>Reserve (III)<sup>(4)</sup></b>		
Opening Balance	7,960,000,000	5,340,000,000
Add: Transferred during the year	3,350,000,000	2,620,000,000
Closing Balance	11,310,000,000	7,960,000,000
<b>Additional Reserve Fund (U/s 29C of the National Housing Bank Act, 1987)<sup>(4)</sup></b>		
Opening Balance	5,249,352,909	5,249,352,909
Add: Amount transferred during the year from Surplus in the Consolidated Statement of Profit and Loss	2,500,000,000	-
Less: Amount utilised during the year	-	-
Closing Balance	7,749,352,909	5,249,352,909

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>Debenture Redemption Reserve<sup>(Refer Note 5(iii))</sup></b>		
Opening Balance	-	-
Add: Amount transferred during the year from Surplus in the Consolidated Statement of Profit and Loss	1,702,087,881	-
Closing Balance	1,702,087,881	-
<b>Cash Flow Hedge Reserve</b>		
Opening Balance	-	-
Add: Transferred during the Year	(42,817,255)	-
Less: Adjusted during the Year	-	-
Closing Balance	(42,817,255)	-
<b>Foreign Currency Translation Reserve</b>		
Opening Balance	-	-
Add: Transferred during the Year	40,212	-
Less: Adjusted during the Year	-	-
Closing Balance	40,212	-
<b>Surplus in the Consolidated Statement of Profit and Loss</b>		
Opening Balance	1,887,794,571	4,635,191,662
Add: Transitional Adjustment on account of Interest Rate Swaps <sup>(6)</sup>	121,991,338	-
Profit for the year	29,063,928,177	23,447,329,839
<b>Amount available for appropriation (A)</b>	<b>31,073,714,086</b>	<b>28,082,521,501</b>
<b>Appropriations:</b>		
Interim Dividend paid on Equity Shares (₹ 27.00 Per Share (Previous Year ₹ 45.00 Per Share))	11,421,235,467	17,829,374,499
Corporate Dividend Tax on Interim Dividend paid on Equity Shares	2,325,094,805	3,629,641,133
Transferred to General Reserve	1,330,000,000	-
Transferred to Special Reserve (U/s 36(1)(viii) of the Income Tax Act, 1961) <sup>(3)</sup>	79,476,921	46,373,244
Transferred to Reserve I (U/s 29C of the National Housing Bank Act, 1987) <sup>(4)</sup>	2,334,765,396	1,968,247,713
Transferred to Additional Reserve (U/s 29C of the National Housing Bank Act, 1987) <sup>(5)</sup>	2,500,000,000	-
Transferred to Reserve II (U/s 45-IC of the RBI Act, 1934) <sup>(5)</sup>	117,098,130	101,090,341
Transferred to Debenture Redemption Reserve	1,702,087,881	-
Transferred to Reserve III (Reserve U/s 36(1)(viii), Considered as eligible transfer to Special Reserve U/s 29C of the National Housing Bank Act, 1987) <sup>(4)</sup>	3,350,000,000	2,620,000,000
<b>Total Appropriations (B)</b>	<b>25,159,758,600</b>	<b>26,194,726,930</b>
<b>Balance of Profit Carried Forward (A)-(B)</b>	<b>5,913,955,486</b>	<b>1,887,794,571</b>
	<b>120,372,942,673</b>	<b>106,096,649,534</b>

(1) **Goodwill / Capital Reserve:**

As at the beginning of the current financial year, the Company had recorded Net Goodwill arising on Consolidation amounting to ₹ 671,431,651. During the current financial year, the Company had sold its entire 24.02% stake (i.e. 1,225,000 Equity Shares) and Indiabulls Advisory Services Limited (IASL) (being a wholly owned subsidiary of the Company) had sold its entire 75.98% stake (i.e. 3,875,000 Equity Shares) in Indiabulls Asset Reconstruction Company Limited (IARCL), at a total consideration of ₹ 51,000,000. Capital Reserve adjusted due to this transaction was ₹ 6,559,728. As at the end of the current financial year Net Goodwill arising on Consolidation is ₹ 677,991,379.

(2) Pursuant to the notification dated December 29, 2011 issued by the Ministry of Corporate Affairs amending Accounting Standard 11 - The Effects of Changes in Foreign Exchange Rates, the Company has exercised the option as per para 46A inserted in the said Standard for all long term monetary assets and liabilities. Consequently an amount of ₹ 1,091,272 (Previous Year ₹ 712,390,036) representing loss on translation difference on foreign currency loans is carried forward in the Foreign Currency Monetary Item Translation Difference Account as on March 31, 2017.



## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

- (3) In terms of Section 36(1)(viii) of the Income-tax Act, 1961, a deduction is allowed for income from eligible business viz, Income from providing long-term infrastructure finance, long-term finance for the construction or purchase of houses in India for residential purposes and the business of providing long-term finance for industrial or agricultural development etc. The Company claims the deduction as it falls under some of the categories of eligible business as defined under Section 36 (1)(viii) of the Income-tax Act, 1961. Consequently the Company has, as at the year end, transferred an amount of ₹ 79,476,921 (Previous Year ₹ 46,373,244) to the Special Reserve created to claim deduction in respect of eligible business under the said section.
- (4) In terms of Section 29C of the National Housing Bank (“NHB”) Act, 1987, the Company is required to transfer at least 20% of its Profit after tax to a Reserve Fund before any dividend is declared. Transfer to a Reserve Fund in terms of Section 36(1)(viii) of the Income Tax Act, 1961 is also considered as an eligible transfer as transfer to Special Reserve under Section 29C of the National Housing Bank (“NHB”) Act, 1987. The Company has transferred an amount of ₹ 3,350,000,000 (Previous Year ₹ 2,620,000,000) to reserve created in terms of Section 36(1)(viii) of the Income Tax Act, 1961 termed as “Reserve (III)” and also transferred an amount of ₹ 2,334,765,396 (Previous Year ₹ 1,968,247,713) to the Reserve in terms of Section 29C of the National Housing Bank (“NHB”) Act, 1987 as at the year end. Further an additional amount of ₹ 2,500,000,000 (Previous Year ₹ Nil) has been set apart by way of transfer to Additional Reserve Fund in excess of the statutory minimum requirement as specified under Section 29C pursuant to Circular no. NHB(ND)/DRS/Pol-No. 03/2004-05 dated August 26, 2004 issued by the National Housing Bank. The additional amount so transferred may be utilised in the future for any business purpose.
- (5) This pertains to reserve created under section 45-IC of the RBI Act 1934, by the Erstwhile Holding Company Indiabulls Financial Services Limited and its subsidiaries transferred under the Scheme of Arrangement. In terms of Section 45-IC of the RBI Act, 1934, the Subsidiary Non Banking Finance Companies (“NBFC”) Companies in the Group are required to transfer at least 20% of its Net Profits to a reserve before any dividend is declared. As at the year end, the NBFC has transferred an amount of ₹ 117,098,130 (Previous Year ₹ 101,090,341) to the Reserve Fund during the year.
- (6) In terms of transitional provisions of Guidance note on Derivative Contracts issued by the Institute of Chartered Accountants of India, effective April 1, 2016, Cumulative impact of Marked To Market profit on all outstanding derivative contracts as on the effective date has been adjusted in the opening balance of Surplus in Statement of Profit and Loss.
- (5) (i) During the financial year 2009-10, in terms of Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 in respect of the issue of the Secured Non Convertible Debentures of the Company to QIBs under Qualified Institutions Placement, the erstwhile Holding Company issued 27,500,000 Share Warrants being issued at a Warrant Issue Price of ₹5 per Share Warrant, with a right exercisable by the Warrant holder to exchange each Warrant with one equity share of the Company of face value ₹2 each, any time before the expiry of 60 months from the date of allotment of the Warrants, at a Warrant Exercise Price of ₹ 225 per equity share. During the financial year 2015-16 the company has issued and allotted 6,643,700 (previous Year 20,856,300) equity shares of face value of ₹ 2 each at an exercise price of ₹ 225 per equity share to the eligible warrant holders. <sup>(Refer Note 39).</sup>
- (ii) During the financial year 2015-16, the Company in terms of SEBI ICDR Regulations, has concluded Qualified Institutions Placement (QIP), by issuing 56,934,372 equity shares at a price of ₹ 702 per equity share aggregating to ₹ 39,967,929,144 on September 15, 2015. Share issue expenses amounting to ₹ 676,209,687 (incurred in respect of this issuance) has been adjusted against the Securities Premium Account (Includes ₹ 12,840,000 paid to Statutory Auditors including service tax).
- (iii) During the current year, the Company successfully raised ₹ 13,300,000,000 by issue of secured rupee denominated masala bonds having a tenor of 3 years and 1 month. These bonds in the nature of debentures are listed on Singapore Stock Exchange (SGX-ST). Debenture issue expenses amounting to ₹ 94,710,222 (incurred in respect of this issuance) has been adjusted against the Securities Premium Account (Includes ₹ 8,620,000 paid to Statutory Auditors including service tax).
- (iv) During the current year, the Company successfully raised ₹ 70,000,000,000 by way of public issue of secured (₹ 68,011,384,000) and unsecured (₹ 1,988,616,000) NCDs having a face value of INR 1,000 each. The said NCDs are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). Debenture issue expenses amounting to ₹ 661,118,216 (incurred in respect of this issuance) has been adjusted against the Securities Premium Account (Includes ₹ 12,930,000 paid to Statutory Auditors including service tax). Pro rata Debenture Redemption Reserve has been created on account of this issue of Non Convertible Debentures as at the year ended March 31, 2017.

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (6) LONG-TERM BORROWINGS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>Secured</b>		
Redeemable, Non Convertible Debentures <sup>(Refer Note 30 (i))**</sup>	285,828,051,500	154,741,000,000
Term Loans <sup>(Refer Note 30 (ii))*</sup>		
– from banks	210,183,765,205	173,926,687,186
– External Commercial Borrowing	25,935,440,000	13,266,580,000
– from others	-	750,000,000
<b>Unsecured</b>		
Redeemable, Non Convertible Debentures <sup>(Refer Note 30 (i))</sup>	1,988,616,000	-
Loans and Advances from Others		
– 10.60% Redeemable Non convertible Perpetual Debentures***	1,000,000,000	1,000,000,000
– Subordinated Debt <sup>(Refer Note 30 (iii))</sup>	16,224,300,000	11,528,300,000
	<b>541,160,172,705</b>	<b>355,212,567,186</b>

\* Secured by hypothecation of Loan Receivables(Current and Future) /Current Assets/Cash and Cash Equivalents of the Company.

\*\* Redeemable Non-Convertible Debentures are secured against Immovable Property / Current Assets and pool of Current and Future Loan Receivables of the Company.

\*\*\* No Put Option, Call Option exercisable at the end of 10 years from the date of allotment (exercisable only with the prior approval of the concerned regulatory authority).

#### (7) DEFERRED TAX LIABILITIES (NET)

Pursuant to Accounting Standard (AS) – 22 'Accounting for Taxes on Income', the Company has debited an amount of ₹ 343,444,206 (Previous Year debited an amount of ₹ 785,899,711) as deferred tax charge (net) to the Consolidated Statement of Profit and Loss arising on account of timing differences. The breakup of deferred tax into major components as at March 31, 2017 is as under:

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>Deferred Tax Liabilities</b>		
On Reserve Created U/s 36(1)(viii) of the Income Tax Act, 1961	3,806,917,571	2,751,880,856
On difference between accounting income and taxable income on investments	1,741,124,155	999,640,588
On account of disallowance under Income Computation and Disclosure Standard-VI	377,667	246,543,944
<b>Deferred Tax Assets</b>		
Provision for loan assets and contingent provision against standard assets	3,814,349,965	2,763,004,918
Provision for diminution of investment	38,706,619	-
On difference between book balance and tax balance of fixed assets/other assets	56,871,065	58,453,752
Provision for employee benefits	454,945,590	364,187,016
<b>Deferred Tax Liabilities (net)</b>	<b>1,183,546,154</b>	<b>812,419,702</b>

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (8) OTHER LONG TERM LIABILITIES

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Other Liabilities	2,236,144	2,236,144
Interest Accrued but not due on Secured Redeemable Non Convertible Debentures	1,588,633,370	1,538,446,313
	<b>1,590,869,514</b>	<b>1,540,682,457</b>

#### (9) LONG TERM PROVISIONS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Provision for Contingencies <sup>(1)</sup>	5,625,232,535	3,726,025,646
Provision for Gratuity <sup>(Refer Note 27(1))</sup>	296,261,731	207,084,677
Provision for Compensated Absences <sup>(Refer Note 27(1))</sup>	143,884,825	98,771,942
Provision for Superannuation <sup>(Refer Note 27(1))</sup>	909,137,377	766,650,863
Premium on Redemption on Secured Non Convertible Debentures (Accrued but not due) (Sinking fund)	876,206,945	2,006,573,864
	<b>7,850,723,413</b>	<b>6,805,106,992</b>

- (1) Provision for Contingencies includes Contingent provision against standard assets and other contingencies. As per National Housing Bank Circular No. NHB/HFC/DIR.3/CMD/2011 dated August 5, 2011 and NHB/HFC/DIR.9/CMD/2013 dated September 6, 2013, in addition to provision for non performing assets, all housing finance companies are required to carry a general provision. (i) at the rate of 2% on housing loans disbursed at comparatively lower rate of interest in the initial few years, after which rates are reset at higher rates; (ii) at the rate of 1% of Standard Assets in respect of Commercial Real Estates and (iii) at the rate of 0.40% of the total outstanding amount of loans which are Standard Assets other than (i) & (ii) above. Also in terms of RBI Notification No. RBI/2010-11/370 DNBS.PD.CC.No.207/ 03.02.002 /2010-11 dated January 17, 2011, every Non-Banking Financial Company is required to make an additional provision for Standard Assets at 0.25% of the outstanding standard assets. Accordingly, the Company and its subsidiaries is carrying a provision of ₹ 6,222,037,350 (Previous Year ₹ 4,205,693,023) towards standard assets (included in Provisions for Contingencies), which is over the required minimum provision as per the NHB Guidelines in case of the Company and on outstanding balance of Standard Assets as per RBI Directions in case of subsidiary companies.

#### Movement in Provision for Contingencies Account during the year is as under :

Particulars	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Opening Balance	4,230,188,488	3,085,688,488
Add: Addition during the Year	2,023,624,082	1,144,500,000
Closing Balance*	<b>6,253,812,570</b>	<b>4,230,188,488</b>

\* Includes Contingent Provision Against Standard Assets amounting to ₹ 6,222,037,350 (Previous Year ₹ 4,205,693,023).

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (10) SHORT-TERM BORROWINGS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>Secured</b>		
<b>(a) Loans Repayable on Demand</b>		
From banks - Working Capital Demand Loan*	8,715,816,774	38,900,000,000
From Banks - Cash Credit Facility*	41,816,144,505	23,825,274,263
<b>(b) Other Loans and Advances</b>		
From Banks *	21,748,014,681	35,472,894,533
<b>Unsecured</b>		
<b>Other Loans and Advances</b>		
Commercial Papers	108,050,000,000	44,910,000,000
	<b>180,329,975,960</b>	<b>143,108,168,796</b>

\* Secured by hypothecation of Loan Receivables (Current and Future) / Current Assets / Cash and Cash Equivalents of the Company.

#### (11) TRADE PAYABLES

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
(a) Total outstanding dues of micro enterprises and small enterprises* and	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	59,355,798	90,060,114
	<b>59,355,798</b>	<b>90,060,114</b>

\* Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

- An amount of Nil and Nil was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.
- No interest was paid during the year in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed day.
- No amount of interest is due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.
- No interest was accrued and unpaid at the end of the accounting year.
- No further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

#### (12) OTHER CURRENT LIABILITIES

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Current maturities of long term debt <sup>(1)</sup>	131,520,808,179	112,532,346,539
Interest accrued but not due <sup>(2)</sup>	18,616,432,098	9,410,359,928
Temporary overdrawn balance as per books	17,186,066,115	14,303,700,746
Amount payable on assigned loans (net)	7,196,603,420	2,235,256,408
Foreign Currency Forward Payable	2,478,435,571	354,054,178
Other Current Liabilities for Statutory Dues and Expense Provisions	3,715,611,450	1,674,990,464
Unclaimed Dividends <sup>(3)</sup>	32,981,879	64,678,695
	<b>180,746,938,712</b>	<b>140,575,386,958</b>

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>(1) Current maturities of long term debt</b>		
Secured Redeemable, Non Convertible Debentures	65,989,332,500	49,695,000,000
Unsecured Subordinated Debt	1,401,000,000	-
<b>Term Loans (Secured)</b>		
From Banks <sup>(Refer Note 30 (ii))</sup>	63,380,475,679	62,087,346,539
From Others <sup>(Refer Note 30 (ii))</sup>	750,000,000	750,000,000
	<b>131,520,808,179</b>	<b>112,532,346,539</b>
<b>(2) Interest accrued but not due</b>		
On Term Loans and Working Capital Demand Loans	438,013,151	253,353,271
On Secured Redeemable Non Convertible Debentures	16,978,461,826	8,476,605,106
On Unsecured Redeemable Non Convertible Debentures	91,673,618	-
On Subordinated Debt and Perpetual Debt	1,108,283,503	680,401,551
	<b>18,616,432,098</b>	<b>9,410,359,928</b>

- (3) In respect of amounts as mentioned under Section 124 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as on March 31, 2017.

### (13) SHORT-TERM PROVISIONS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Provision for Taxation (net of Advance Tax ₹ 6,997,446,022 (Previous Year ₹ 9,445,011,967))	414,438,998	336,441,479
Provision for Fringe Benefits Tax (net of Advance Tax ₹ 2,269,191 (Previous Year ₹ 2,269,191))	185,628	185,628
Provision for Contingencies <sup>(Refer Note 9(1))</sup>	628,580,035	504,162,842
Provision for Gratuity <sup>(Refer Note 27(1))</sup>	12,494,285	11,568,739
Provision for Compensated Absences <sup>(Refer Note 27(1))</sup>	7,001,126	7,829,898
Premium on Redemption on Secured Non Convertible Debentures (Accrued but not due)(Sinking fund)	1,844,921,162	1,253,354,462
	<b>2,907,621,234</b>	<b>2,113,543,048</b>



# NOTES

## FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(14) FIXED ASSETS	GROSS BLOCK AT COST			DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at 01.04.2016	Additions during the Year	Adjustments/Sales during the Year	As at 31.03.2017	As at 01.04.2016	Provided during the Year	Adjustments/Sales during the Year	As at 31.03.2017	As at 31.03.2016
Particulars	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>(i) Tangible Assets – Property, Plant and Equipment</b>									
Land*	3,218,270	998,000	-	4,216,270	-	-	-	4,216,270	3,218,270
Building <sup>(1)</sup>	13,339,075	69,004,600	-	82,343,675	999,216	4,74,610	-	80,869,849	12,339,859
Furniture & Fixtures <sup>(2)</sup>	207,645,182	33,660,843	2,379,377	238,926,648	94,594,196	18,554,105	1,920,950	127,699,297	113,050,986
Vehicles	534,209,727	169,933,237	5,218,981	698,923,983	216,864,383	103,728,043	2,993,701	317,598,725	317,345,344
Office Equipment	133,937,965	37,810,257	1,779,753	169,968,469	98,055,084	17,435,855	1,634,207	113,856,732	35,882,881
Computers	304,608,705	72,984,755	5,694,175	377,899,285	223,084,914	49,414,767	5,649,751	105,049,355	81,523,791
Leasehold Improvements <sup>(2)</sup>	273,827,759	68,848,671	5,142,846	337,533,584	172,163,062	21,954,495	4,155,705	189,961,852	101,664,697
<b>TOTAL (i)</b>	<b>1,470,786,683</b>	<b>453,240,363</b>	<b>20,215,132</b>	<b>1,903,811,914</b>	<b>805,760,855</b>	<b>211,561,875</b>	<b>16,354,314</b>	<b>902,843,498</b>	<b>665,025,828</b>
<b>PREVIOUS YEAR (a)</b>	<b>1,152,581,264</b>	<b>334,076,906</b>	<b>15,871,487</b>	<b>1,470,786,683</b>	<b>622,520,211</b>	<b>196,470,334</b>	<b>13,229,690</b>	<b>805,760,855</b>	<b>530,061,053</b>
<b>(ii) Intangible Assets</b>									
Software	222,566,261	107,392,527	-	329,958,788	202,015,586	19,648,822	-	221,664,408	20,550,675
<b>TOTAL (ii)</b>	<b>222,566,261</b>	<b>107,392,527</b>	<b>-</b>	<b>329,958,788</b>	<b>202,015,586</b>	<b>19,648,822</b>	<b>-</b>	<b>108,294,380</b>	<b>20,550,675</b>
<b>PREVIOUS YEAR (b)</b>	<b>206,141,902</b>	<b>16,424,359</b>	<b>-</b>	<b>222,566,261</b>	<b>194,879,209</b>	<b>7,136,377</b>	<b>-</b>	<b>202,015,586</b>	<b>11,262,693</b>
<b>CURRENT YEAR TOTAL [(i) + (ii)]</b>	<b>1,693,352,944</b>	<b>560,632,890</b>	<b>20,215,132</b>	<b>2,233,770,702</b>	<b>1,007,776,441</b>	<b>231,210,697</b>	<b>16,354,314</b>	<b>1,011,137,878</b>	<b>685,576,503</b>
<b>PREVIOUS YEAR [(a) + (b)]</b>	<b>1,358,723,166</b>	<b>350,501,265</b>	<b>15,871,487</b>	<b>1,693,352,944</b>	<b>817,599,420</b>	<b>203,606,711</b>	<b>13,229,690</b>	<b>685,576,503</b>	<b>541,323,746</b>

\* Mortgaged as Security against Secured Non Convertible Debentures (Refer Note 6, 10 & 12).

(1) Flat costing ₹ 3,083,975 (Previous Year ₹ 3,083,975) Mortgaged as Security against Secured Non Convertible Debentures (Refer Note 6, 9 & 12).

(2) Depreciation on Furniture and Fixtures aggregating to ₹ Nil (Previous Year ₹ 74,833,036) have been regrouped to Leasehold Improvements as at April 1, 2015.

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (15) GOODWILL ON CONSOLIDATION<sup>(Refer Note 4(i)) & \*</sup>

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Opening Balance	671,431,651	685,640,037
Add: Transferred during the year	-	-
Less : Adjusted from Capital Reserve	6,559,728	(14,208,386)
	<b>677,991,379</b>	<b>671,431,651</b>

\* Net Goodwill on Consolidation amounting to ₹ 677,991,379 (Previous Year ₹ 671,431,651) consists of ₹ 700,360,191 (Previous Year ₹ 700,360,191) being Goodwill arising on Consolidation and ₹ 22,368,812 (Previous Year ₹ 28,928,540) being Capital Reserve arising on Consolidation.

#### (16) NON-CURRENT INVESTMENTS (AT COST)

	As at March 31, 2017 Amount (₹)		As at March 31, 2016 Amount (₹)	
<b>Long Term - Trade - Unquoted (unless otherwise stated)</b>				
<b>Other Long Term Investments:</b>				
<b>In Associate Company:</b>				
– 818,615 (Previous Year 818,615) Fully paid up Equity Shares of face value GBP 0.59 each in OakNorth Holdings Limited <sup>(4) &amp; (5)</sup>	6,551,606,756		6,633,121,000	
Less:- Proportionate Share of post acquisition Loss	(21,591,190)	6,530,015,566	(81,514,244)	6,551,606,756
<b>Long Term - Non Trade - Unquoted (unless otherwise stated)</b>				
– 35,000,000 (Previous Year 28,000,000) Fully paid up Equity Shares of face value ₹ 5 each in Indian Commodity Exchange Limited <sup>(1) &amp; (3)</sup>		171,555,854		101,555,854
– 50 (Previous Year 50) 9.25% Unsecured Redeemable Non-Convertible Subordinated Bonds of Dena Bank of Face Value of ₹ 1,000,000 each <sup>(3)</sup>		50,000,000		50,000,000
– Investment in units of Quoted Mutual Funds		200,000,000		-
– Investments in Pass Through Certificates /Bonds / Other Long Term investment		1,015,179,033		539,590,284
– Investments in Equity shares <sup>(7)</sup>		506,802		500,000
<b>Total</b>		<b>7,967,257,255</b>		<b>7,243,252,894</b>
<b>Aggregate market value of quoted Investments</b>		<b>200,530,000</b>		<b>-</b>
<b>Aggregate book value of quoted Investments</b>		<b>200,000,000</b>		<b>-</b>
<b>Aggregate book value of unquoted Investments</b>		<b>7,767,257,255</b>		<b>7,243,252,894</b>
<b>Aggregate provision for diminution in value of Investments</b>		<b>-</b>		<b>-</b>

(1) During the current financial year, the Company has invested ₹ 70,000,000 (Previous Year ₹ Nil) by subscribing to 7,000,000 (Previous year Nil) Equity Shares of face value ₹ 5 per share, issued by ICEX through Rights issue.

(2) During the previous financial year 2015-16, Indiabulls Advisory Services Limited (IASL), a wholly owned subsidiary of the Company had invested ₹ 6,375,000 by purchasing 1,275,000 Equity Shares of face value ₹ 10 each from the earlier shareholders of Indiabulls Asset Reconstruction Company Limited (IARCL). After this purchase, the stake in IARCL had increased from 75.00% to 100.00% (together with IASL) subsequent to which IARCL had become a wholly owned subsidiary of the Company. During the current financial year, the Company along with its wholly owned subsidiary IASL has sold their entire investment in IARCL for a consideration of ₹ 51,000,000 (Previous year N.A.).

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

- (3) During the year ended March 31, 2013, transferred from Erstwhile Holding Company (IBFSL) under the Scheme of Arrangement<sup>(Refer Note 39)</sup>.
- (4) During the financial year 2015-16, the Company has invested ₹ 6,633,121,000 in OakNorth Holdings Limited by subscribing to 818,615 Equity Shares of face value of GBP 0.59 per share for 39.76% stake. OakNorth Bank- a licensed UK commercial bank is a wholly owned subsidiary of OakNorth Holdings Limited. As at on March 31, 2017 the Company has a stake of 38.73%.
- (5) Includes Goodwill identified at the time of acquisition amounting to ₹ 5,842,090,310 (Previous Year ₹ 5,842,090,310).
- (6) During the current financial year, Indiabulls Commercial Credit Limited (ICCL) (being the wholly owned subsidiary of the Company) has incorporated a new wholly owned overseas subsidiary namely Indiabulls Asset Management Mauritius (IAMM).
- (7) Indiabulls Asset Management Mauritius (IAMM) owns 100% of the management shares of IREF Offshore Fund I (incorporated in Mauritius) amounting to ₹ 6,802 (Previous Year N.A.). These shares are intended to be temporary because the shares are acquired and held exclusively with a view of its subsequent disposal in the near future in ordinary course of business. Hence the investment is excluded from consolidation under Accounting Standard 21 – 'Consolidated Financial Statements' and is appropriately accounted for in accordance with Accounting Standard 13 'Accounting for Investments'.

#### (17) DEFERRED TAX ASSETS (NET)

Pursuant to Accounting Standard (AS) – 22 'Accounting for Taxes on Income', the Company has debited an amount of ₹ 343,444,206 (Previous Year debited an amount of ₹ 785,899,711) as deferred tax charge (net) to the Consolidated Statement of Profit and Loss arising on account of timing differences. The breakup of deferred tax into major components as at March 31, 2017 is as under:

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>Deferred Tax Liabilities</b>		
On difference between book balance and tax balance of fixed assets/other assets	8,677,617	1,300,726
On difference between accounting income and taxable income on investments	15,077,863	8,806,113
Provision for Bad Debts under section 36(1)(viii)	11,637,853	-
<b>Deferred Tax Assets</b>		
Provision for loan assets and contingent provision against standard assets	96,444,520	48,698,197
On difference between book balance and tax balance of fixed assets/other assets	466,495	270,983
Disallowance under Section 35DD of the Income Tax Act, 1961	290,291	387,056
Provision for employee benefits	18,702,925	13,579,254
<b>Deferred Tax Assets (net)</b>	<b>80,510,898</b>	<b>52,828,651</b>

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (18) LONG-TERM LOANS AND ADVANCES (UNSECURED UNLESS OTHERWISE STATED)

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
(i) Loans and Other Credit Facilities		
(a) Secured Loans <sup>(1) &amp; (2)</sup>		
– Considered Good	819,000,721,492	603,015,924,912
– Considered Doubtful	2,923,643,959	2,397,208,190
Less: Loans Assigned	80,629,546,775	71,848,175,090
	741,294,818,676	533,564,958,012
(b) Unsecured Loans		
– Considered Good	160,307,825	2,231,941,949
– Considered Doubtful	130,000,000	-
	290,307,825	2,231,941,949
<b>Total (a) + (b)</b>	<b>741,585,126,501</b>	<b>535,796,899,961</b>
Less: Provision for Loan Assets <sup>(3)</sup> (Including additional provision made by the Company)	4,883,932,061	3,864,542,947
	<b>736,701,194,440</b>	<b>531,932,357,014</b>
(ii) Other Loans and Advances		
Capital Advances <sup>(4)</sup>	814,937,868	128,282,768
Security Deposit for Rented Premises	219,005,983	173,514,471
Security Deposit with others	40,408,098	10,270,598
MAT Credit Entitlement	1,324,078,357	1,699,780,533
Advance Fringe Benefits tax (FBT) (Net of Provision for FBT ₹ 2,471,281 (Previous Year ₹ 2,471,281))	68,776	68,776
Advance Tax /Tax deducted at source (Net of Provision for Tax of ₹ 20,860,258,746 (Previous Year ₹ 11,398,761,793))	2,742,446,827	1,030,158,880
Foreign Currency Forward Receivable	532,970,000	-
Others including Prepaid Expenses and Employee advances	703,706,239	252,807,799
	<b>743,078,816,588</b>	<b>535,227,240,839</b>

- (1) Secured Loans and Other Credit Facilities given to customers amounting to ₹ 741,294,818,676 (Previous Year ₹ 533,564,958,012) 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 guarantees and / or
  - Negative lien and / or Undertaking to create a security.
- (2) Includes Home loan to director for ₹ 22,454,320 (Previous year N.A.)
- (3) Movement in Provision for Loan Assets is as under :

Particulars	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Opening Balance	4,084,689,705	3,069,425,639
Add: Transfer from Consolidated Statement of Profit and Loss	5,805,418,737	2,334,770,686
Less: Utilised during the year - towards Loans written off	4,653,212,463	1,319,506,620
	1,152,206,274	1,015,264,066
<b>Closing Balance</b>	<b>5,236,895,979</b>	<b>4,084,689,705</b>

- (4) Includes ₹ 683,174,252 (being 57% of total cost (excluding taxes) (Previous year N.A.) paid under construction linked plan for purchase of 179,649 sq. ft office space @ ₹ 6,580/- sqft.

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (19) OTHER NON-CURRENT ASSETS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Margin Money Accounts	1,869,534,000	2,572,250,797
Interest Accrued on Deposit accounts / Margin Money	7,452,740	495,306,921
Interest Accrued on Loans	444,052,122	1,075,819,490
	<b>2,321,038,862</b>	<b>4,143,377,208</b>

#### (20) CURRENT INVESTMENTS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Quoted		
Investments in Bonds*	17,454,796,442	2,692,727,200
Investments in Commercial Papers / Certificate of Deposits*	7,980,656,250	23,117,187,222
	25,435,452,692	25,809,914,422
Unquoted		
Investment in Mutual Funds	102,763,659,005	73,875,326,300
	102,763,659,005	73,875,326,300
	<b>128,199,111,697</b>	<b>99,685,240,722</b>
*Considered as Cash and Cash equivalents for Cash Flow Statement		
Aggregate market value of quoted Investments	25,464,953,442	25,964,807,606
Aggregate book value of quoted Investments	25,435,452,692	25,809,914,422
Aggregate book value of unquoted Investments	102,763,659,005	73,875,326,300

#### (21) TRADE RECEIVABLES

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Debts Outstanding for a period more than six months from its due date		
- Secured, Considered Good	82,987	82,987
- Unsecured, Considered Good	-	-
Debts Outstanding for a period less than six months from its due date		
- Secured, Considered Good	-	-
- Unsecured, Considered Good	144,799,938	27,793,430
	<b>144,882,925</b>	<b>27,876,417</b>



## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (22) CASH AND CASH EQUIVALENTS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Cash on Hand	29,849,894	90,687,119
Balances with banks		
– in current accounts#	35,570,331,013	24,056,817,831
– in demand deposits accounts	15,751,274,403	819,121,965
	51,351,455,310	24,966,626,915
<b>Other bank balances</b>		
– Margin Money Accounts	4,457,496,575	3,228,744,340
– in deposit accounts held as margin money (under lien) <sup>(1)</sup>	1,016,338,142	821,637,470
	5,473,834,717	4,050,381,810
	<b>56,825,290,027</b>	<b>29,017,008,725</b>

(1) Deposits accounts with bank of ₹ 1,016,338,142 (Previous Year ₹ 821,637,470) are under lien. The Company has the complete beneficial interest on the income earned from these deposits.

# includes ₹ 32,981,879 (Previous Year ₹ 64,678,695) in designated unclaimed dividend accounts.

#### (23) SHORT-TERM LOANS AND ADVANCES (UNSECURED UNLESS OTHERWISE STATED)

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
(i) Loans and Other Credit Facilities		
(a) Secured Loans <sup>(1) &amp; (2)</sup>		
– Considered Good	89,292,417,053	78,100,111,503
– Considered Doubtful	-	-
Less: Loans assigned	6,241,276,419	6,339,289,535
	83,051,140,634	71,760,821,968
(b) Unsecured Loans		
– Considered Good	1,506,026,359	1,080,280,728
– Considered Doubtful	-	-
	1,506,026,359	1,080,280,728
Total (a) + (b)	84,557,166,993	72,841,102,696
Less: Provision for Loan Assets (Including additional provision made by the Company) <sup>(Refer Note 18(2))</sup>	352,963,918	220,146,758
	84,204,203,075	72,620,955,938
(ii) Other Loans and Advances		
Advance Interest on Short term borrowings	1,339,457,798	592,717,644
Security Deposit for Rented Premises	12,449,269	33,844,786
Security Deposit with Others	6,930	90,019,838
Assignment Receivable	20,723,740	-
Others including Prepaid Expenses/Cenvat Credit and Employee advances <sup>(3)</sup>	2,220,968,690	448,097,416
	<b>87,797,809,502</b>	<b>73,785,635,622</b>

(1) Secured Loans and Other Credit Facilities given to customers amounting to ₹ 83,051,140,634 (Previous Year ₹ 71,760,821,968) 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 guarantees and / or
- Negative lien and / or Undertaking to create a security.

(2) Includes Home loan to director for ₹ 1,065,228 (Previous Year N.A.)

(3) Includes ₹ 1,258,363,568 (Previous year N.A.) receivables on account of hedging of interest rate swaps contract.

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (24) OTHER CURRENT ASSETS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
FCNR Hedge Premium	743,179,735	110,611,413
Interest Accrued on Loans	7,078,423,623	6,337,063,506
Interest Accrued on Deposit accounts / Margin Money / Bonds	1,127,381,152	208,497,237
Others	1,078,097	1,527,323
	<b>8,950,062,607</b>	<b>6,657,699,479</b>

#### (25) REVENUE FROM OPERATIONS

	For the year ended March 31, 2017 Amount (₹)	For the year ended March 31, 2016 Amount (₹)
<b>(a) Income from Financing and Investing Activities</b>		
Interest on Financing Activities <sup>(1)</sup>	99,377,316,458	78,418,268,272
<b>(b) Income from other Financial Services</b>		
Fee Income from Services	1,442,001,662	1,150,993,809
Commission on Insurance	252,853,601	150,550,823
Other Operating Income <sup>(2)</sup>	2,918,199,843	3,179,461,376
	<b>103,990,371,564</b>	<b>82,899,274,280</b>
<b>(1) Interest from Financing Activities includes:</b>		
Interest on Loan Financing / Income from Securitisation / Assignment	97,479,300,003	76,824,001,351
Interest on Deposit Accounts	629,868,712	740,019,535
Interest on Bonds / Commercial Papers / Certificate of Deposits / Pass Through Certificates	1,268,147,743	854,247,386
	<b>99,377,316,458</b>	<b>78,418,268,272</b>
<b>(2) Other Operating Income includes:</b>		
Loan processing fees	2,628,740,757	2,990,567,922
Foreclosure fees and other related income	1,229,059,771	934,652,485
Less: Direct Selling Agents Commission	670,298,610	507,973,003
Less: Client Verification Charges	263,407,728	221,589,077
Less: CERSAI Charges	5,894,347	16,196,951
	<b>2,918,199,843</b>	<b>3,179,461,376</b>

#### (26) OTHER INCOME

	For the year ended March 31, 2017 Amount (₹)	For the year ended March 31, 2016 Amount (₹)
Sundry Balances written back	225,007,290	10,759,623
Dividend Income on Units of Mutual Funds	7,632,658,221	1,555,435,640
Unrealised Income / Gain on Current Investments	2,586,685,952	1,769,079,581
Profit on sale of Current Investments	2,114,283,671	5,906,969,027
Miscellaneous Income	395,982,737	31,447,615
Interest on Income Tax Refund	72,419,638	82,630,557
	<b>13,027,037,509</b>	<b>9,356,322,043</b>

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (27) EMPLOYEE BENEFITS EXPENSE

	For the year ended March 31, 2017 Amount (₹)	For the year ended March 31, 2016 Amount (₹)
Salaries	4,561,323,846	3,750,348,179
Contribution to Provident Funds and Other Funds <sup>(1)</sup>	60,452,561	37,904,134
Employee Stock Compensation Expense	2,421,921	3,366,850
Provision for Gratuity, Compensated Absences and Superannuation Expense <sup>(1)</sup>	292,002,385	279,735,971
Staff Welfare Expenses	80,420,286	60,144,133
	<b>4,996,620,999</b>	<b>4,131,499,267</b>

#### (1) Note on AS - 15 disclosure:

Employee Benefits – Provident Fund, ESIC, Gratuity and Compensated Absences disclosures as per Accounting Standard (AS) 15 (Revised) – Employee Benefits:

Contributions are made to Government Provident Fund and Family Pension Fund, ESIC and other statutory funds which cover all eligible employees under applicable Acts. Both the employees and the Company make predetermined contributions to the Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee's salary. The Company has recognised an amount of ₹ 60,452,561 (Previous Year ₹ 37,904,134) in the Consolidated Statement of Profit and Loss towards Employers contribution for the above mentioned funds.

Provision for unfunded Gratuity and Compensated Absences for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Pursuant to the issuance of the Accounting Standard (AS) 15 (Revised) on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

Disclosures in respect of Gratuity, Compensated Absences and Superannuation are given below:

Particulars	Gratuity		Compensated Absences		Superannuation	
	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)
	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016
<b>Reconciliation of liability recognised in the Balance Sheet:</b>						
Present Value of commitments (as per Actuarial valuation)	308,756,016	218,653,416	150,885,951	106,601,840	909,137,377	766,650,863
<b>Fair value of plan assets</b>						
<b>Net liability in the Balance sheet (as per Actuarial valuation)</b>	<b>308,756,016</b>	<b>218,653,416</b>	<b>150,885,951</b>	<b>106,601,840</b>	<b>909,137,377</b>	<b>766,650,863</b>
<b>Movement in net liability recognised in the Balance Sheet:</b>						
Net liability as at the beginning of the year	218,653,416	133,314,790	106,601,840	64,149,281	766,650,863	625,880,074
Amount paid during the year	(14,678,793)	(11,143,803)	(450,366)	(30,194)	-	-
Net expenses recognised / (reversed) in the Statement of Profit and Loss	104,781,394	96,482,429	44,734,477	42,482,753	142,486,514	140,770,789
Acquisition Adjustment	-	-	-	-	-	-
Transferred to fellow subsidiary Companies (on account of transfer of employees)	-	-	-	-	-	-
<b>Net liability as at the end of the year</b>	<b>308,756,017</b>	<b>218,653,416</b>	<b>150,885,951</b>	<b>106,601,840</b>	<b>909,137,377</b>	<b>766,650,863</b>
<b>Expenses recognised in the Statement of Profit and Loss:</b>						
Current service cost	66,006,818	44,429,200	44,076,577	29,035,432	61,231,385	52,557,608
Past service cost	-	-	-	-	-	-
Interest Cost	19,021,968	12,200,054	9,388,243	6,030,301	62,858,852	53,001,233
Expected return on plan assets	-	-	-	-	-	-
Actuarial (gains) / Losses	19,752,608	39,853,175	(8,730,343)	7,417,020	18,396,277	35,211,948
<b>Expenses charged / (reversal) to the Statement of Profit and Loss</b>	<b>104,781,394</b>	<b>96,482,429</b>	<b>44,734,477</b>	<b>42,482,753</b>	<b>142,486,514</b>	<b>140,770,789</b>

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

Particulars	Gratuity		Compensated Absences		Superannuation	
	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)
	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016
<b>Return on Plan assets:</b>						
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Reconciliation of defined-benefit commitments:</b>						
Commitments as at the beginning of the year	218,653,416	133,314,790	106,601,840	64,149,281	766,650,863	625,880,074
Current service cost	66,006,818	44,429,200	44,076,577	29,035,432	61,231,385	52,557,608
Past service cost	-	-	-	-	-	-
Interest cost	19,021,968	12,200,054	9,388,243	6,030,301	62,858,852	53,001,233
(Paid benefits)	(14,678,794)	(11,143,803)	(450,366)	(30,194)	-	-
Acquisition Adjustment	-	-	-	-	-	-
Actuarial (gains) / losses	19,752,608	39,853,175	(8,730,343)	7,417,020	18,396,277	35,211,948
<b>Commitments as at the end of the year</b>	<b>308,756,016</b>	<b>218,653,416</b>	<b>150,885,951</b>	<b>106,601,840</b>	<b>909,137,377</b>	<b>766,650,863</b>
<b>Reconciliation of Plan assets:</b>						
Plan assets as at the beginning of the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Contributions during the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Paid benefits	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Plan assets as at the end of the year</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>

Particulars	Gratuity		Compensated Absences		Superannuation	
	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)
	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016
	₹					
<b>Experience adjustment</b>						
On plan liabilities	6,732,378	(6,430,631)	22,200,726	8,384,990	55,110,565	87,238,629
On plan assets						
Present value of benefit obligation	308,756,016	218,653,416	150,885,951	106,601,840	909,137,377	766,650,863
Fair value of plan assets						
Excess of (obligation over plan assets) / plan assets over obligation	<b>308,756,016</b>	<b>218,653,416</b>	<b>150,885,951</b>	<b>106,601,840</b>	<b>909,137,377</b>	<b>766,650,863</b>

The actuarial calculations used to estimate commitments and expenses in respect of unfunded Gratuity, Compensated absences and Superannuation (Pension & Medical coverage) are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

Particulars	Gratuity		Compensated Absences		Superannuation	
	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)
	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016
Discount rate	7.35%	8.00%	7.35%	8.00%	7.35%	8.00%
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Expected rate of salary increase	6%	6%	6%	6%	6%	6%
Mortality	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
Retirement Age	60	60	60	60	60	60

(N.A. - not applicable)

The employer's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity, Compensated Absences and Superannuation is ₹ 110,804,295 (Previous Year ₹ 81,978,022), ₹ 57,123,658 (Previous Year ₹ 40,519,118) and ₹ 198,571,497 (Previous Year ₹ 167,681,128) respectively.

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (28) FINANCE COSTS

	For the year ended March 31, 2017 Amount (₹)	For the year ended March 31, 2016 Amount (₹)
Interest on Loans <sup>(1) &amp; (2)</sup>	29,031,559,873	28,445,280,106
Interest on Non Convertible Debentures	26,094,827,967	14,797,628,875
Interest on Commercial Papers	6,393,655,815	4,775,832,509
Interest on Subordinate Debt	1,626,730,285	1,143,525,071
Interest on Taxes	30,949,969	45,693,149
Bank Charges towards Borrowings	13,162,748	12,700,200
Processing fees	252,623,337	169,608,431
FCNR Hedge Premium	664,254,923	324,054,115
	<b>64,107,764,917</b>	<b>49,714,322,456</b>

- 1) During the year, the Company has recognized Premium on forward contract & principal only swaps on foreign currency loans amounting to ₹ 1,312,382,655 (Previous Year ₹ 1,061,188,724) included in Interest on Loans and unrealised marked to market profit towards derivatives which are not designated as hedges amounting to ₹ 183,184,405 (Previous Year loss ₹ 140,446,781) and unrealised marked to market profit towards derivatives which are designated as hedges amounting to ₹ 262,968,179 (Previous Year N.A.) which has been included under Bank / Finance Charges. Derivative instruments that are outstanding as at March 31, 2017 is as given below:-
- I. Cross Currency Swaps entered for hedging purposes outstanding as at March 31, 2017 for USD 367,702,517 (Previous Year USD 255,084,236) against cross currency of ₹ 23,434,750,000 (Previous Year ₹ 16,034,750,000) for a total of 9 outstanding Contracts (Previous Year 9 Contracts).
  - II. INR Interest Rate Swaps (Fixed to Floating) for Notional Principal of ₹ 66,000,000,000 outstanding as at March 31, 2017 (Previous Year ₹ 9,250,000,000) for a total of 53 outstanding contracts (Previous Year 11 contracts).
  - III. USD Interest Rate Swaps (Floating to Fixed/ Floating to Floating) for Notional Principal INR of ₹ 29,007,787,500 against USD 447,685,107.71 (Previous Year Notional Principal INR of ₹ 15,622,250,000 against USD 249,299,717.39) for a total of 19 contracts outstanding as at March 31, 2017 (Previous Year 18 contracts) against fluctuations in USD Libor.
  - IV. Forward Contract entered for hedging purposes outstanding as at March 31, 2017 for USD 473,061,040 (Previous Year USD 108,204,332.61) against cross currency of ₹ 31,733,653,531 (Previous Year ₹ 7,015,965,407) for a total of 18 Contracts outstanding (Previous Year 13 Contracts).
- 2) During the year the Company has credited an amount of ₹ 359,526,532 (Previous year debited ₹ 183,194,578) on account of Net Revaluation on Foreign Currency Loans, which is included in Interest on loans above.
- 3) Additional disclosure for Hedge Accounting:-
- i) The company has debited ₹ 172,533,938 (Net) in statement of profit and loss account against which accounting of fair value hedge has been adopted.
  - ii) During the year, the company has recognised an amount of ₹ 42,817,255 to Cash flow Hedge Reserve. There is no amount recycled from the hedge reserve and reported in statement of profit and loss, as this is the first year of adoption of Hedge accounting.



## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

iii) Disclosure of Foreign Currency Exposures:-

Particulars	Foreign Currency	Year Ended March 31, 2017			Year Ended March 31, 2016		
		Exchange Rate	Amount in Foreign Currency	Amount in ₹	Exchange Rate	Amount in Foreign Currency	Amount in ₹
<b>I. Assets</b>							
Receivables (trade & other)	N.A.	-	-	-	-	-	-
Other Monetary assets	N.A.	-	-	-	-	-	-
Total Receivables (A)	N.A.	-	-	-	-	-	-
Hedges by derivative contracts (B)	N.A.	-	-	-	-	-	-
Unhedged receivables (C=A-B)	N.A.	-	-	-	-	-	-
<b>II. Liabilities</b>							
Payables (trade & other)							
Borrowings (ECB and Others)	USD	64.8386	836,826,822	54,258,679,591	66.3329	365,947,072	24,274,330,561
Total Payables (D)	USD	64.8386	836,826,822	54,258,679,591	66.3329	365,947,072	24,274,330,561
Hedges by derivative contracts (E)	USD	64.8386	836,826,822	54,258,679,591	66.3329	365,947,072	24,274,330,561
Unhedged Payables F=(D-E)	USD	64.8386	-	-	66.3329	-	-
<b>III. Contingent Liabilities and Commitments</b>							
Contingent Liabilities	N.A.	-	-	-	-	-	-
Commitments	N.A.	-	-	-	-	-	-
Total (G)	N.A.	-	-	-	-	-	-
Hedges by derivative contracts(H)	N.A.	-	-	-	-	-	-
Unhedged Payables (I=G-H)	N.A.	-	-	-	-	-	-
Total unhedged FC Exposures (J=C+F+I)	N.A.	-	-	-	-	-	-

Note For the above disclosure, interest accrued on borrowings at respective year end has not been considered.

### (29) OTHER EXPENSES

	For the year ended March 31, 2017 Amount (₹)	For the year ended March 31, 2016 Amount (₹)
Collection Charges	7,088,508	15,716,208
Demat Charges	2,965,045	1,806,613
Stamp Papers/Stamp Duty charges	53,924,109	43,219,838
Rates and Taxes	10,340,454	9,828,332
Communication Expenses	73,275,063	59,829,887
Legal and Professional Charges	135,024,399	202,871,235
Rent and Other charges <sup>(1)</sup>	478,794,449	416,198,290
Electricity Expenses	76,918,369	74,198,729
Repairs & Maintenance - Others	166,394,782	171,717,218
Recruitment and Training	18,961,292	16,349,969
Printing and Stationery	39,039,058	32,899,844
Traveling and Conveyance Expenses	166,945,990	151,660,440

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

	For the year ended March 31, 2017 Amount (₹)	For the year ended March 31, 2016 Amount (₹)
Business Promotion	80,604,532	75,543,727
Payment to Auditors comprises (net of service tax input credit ₹ 1,844,061 (Previous Year ₹ 1,954,554))		
Audit Fees	13,415,600	14,248,750
Other Services	10,775,000	12,729,839
Reimbursement of Expenses	2,155,000	1,935,000
Contingent Provisions against Standard Assets / Provision for Loan assets / Bad Debts Written Off (Net of Recoveries) <sup>(2)</sup>	7,829,042,819	5,068,579,087
Advertisement	184,722,180	156,828,806
Expenditure on Corporate Social Responsibility	373,847,000	328,989,000
Loss on sale of fixed assets	643,736	1,229,553
Trusteeship Fees	6,304,253	4,825,061
Donations	257,501	1,500,000
Service charges	96,875	1,168,750
Incorporation expenses	402,812	-
Marked to Market loss on Current Investment	60,842,980	-
Miscellaneous Expenses	170,991,465	53,638,390
	<b>9,963,773,271</b>	<b>6,917,512,566</b>

- (1) The Company has taken office premises on Lease and Leave & License basis at various locations in India. Lease rent / License fees aggregating to ₹ 430,052,986 (Previous Year ₹ 379,437,288) in respect of the same have been charged to the Statement of Profit and Loss. The agreements are executed for periods ranging from 11 months to 12 years with a renewable clause. In many cases, the agreements also provide for termination at will by either party by giving a prior notice period between 30 to 90 days. The minimum lease rentals outstanding as at March 31, 2017, are as under:

Particulars	Minimum Lease Rentals	
	For the year ended March 31, 2017 Amount (₹)	For the year ended March 31, 2016 Amount (₹)
Not later than One year	388,286,469	287,830,226
Later than One year but not later than Five years	1,252,742,167	889,701,335
Later than Five Years	327,889,431	182,427,205
	<b>1,968,918,067</b>	<b>1,359,958,766</b>

- (2) Contingent Provision against standard Assets / Provision for Loan assets / Bad Debts Written Off (Net of Recoveries) includes;

Particulars	For the year ended March 31, 2017 Amount (₹)	For the year ended March 31, 2016 Amount (₹)
Contingent Provisions against Standard Assets	2,023,624,082	1,144,500,000
Provision for Loan Assets / Bad Debt / Advances written off*	5,805,418,737	3,924,079,087
<b>Total</b>	<b>7,829,042,819</b>	<b>5,068,579,087</b>

\* Includes Bad Debts / Advances written off of ₹ 1,004,119,543 (Previous year ₹ 1,959,450,199) Net of recoveries of ₹ 184,483,941 (Previous year ₹ 382,529,376).

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (30) EXPLANATORY NOTES

##### Particulars

(i) Redeemable Non Convertible Debentures (payable at par unless otherwise stated) (secured and unsecured unless otherwise stated) include:*	As at March 31, 2017 Amount (₹)
8.65 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2026	136,946,000
8.79 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2026 <sup>#</sup>	24,171,000
8.85 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2026	9,907,552,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2026 <sup>#</sup>	1,953,479,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2026	4,044,991,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2026 <sup>#</sup>	1,500,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2026 <sup>(1)</sup>	243,432,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2026 <sup># &amp; (1)</sup>	9,466,000
8.90 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 22, 2026	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 30, 2026	2,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 5, 2026	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 29, 2026	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 8, 2026	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 29, 2026	2,070,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 11, 2026	350,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 13, 2026	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 7, 2026	500,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 31, 2025	100,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 20, 2025	2,650,000,000
9.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 26, 2025	10,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 19, 2025	250,000,000
9.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 31, 2024	250,000,000
9.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 16, 2024	250,000,000
10.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 30, 2024	250,000,000
10.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 5, 2024	250,000,000
10.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 24, 2023	250,000,000
10.55 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 21, 2023	4,000,000,000
10.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 8, 2023	250,000,000
11.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 29, 2023	10,000,000,000
9.05 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 07, 2023	400,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 25, 2023	50,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 19, 2023	1,000,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 26, 2023	250,000,000
10.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 16, 2023	350,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 31, 2022	500,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 18, 2022	150,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 20, 2022	100,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 19, 2022	150,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 6, 2022	150,000,000
10.70 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 6, 2022	200,000,000
10.70 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 28, 2022	8,000,000,000
10.75 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 3, 2022	1,250,000,000
8.57 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 30, 2022**	3,500,000,000
8.57 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 22, 2022**	1,600,000,000
8.57 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 21, 2022**	6,000,000,000
10.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 27, 2022	5,000,000,000

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(i) Redeemable Non Convertible Debentures (payable at par unless otherwise stated) (secured and unsecured unless otherwise stated) include:* (Contd.)	As at March 31, 2017 Amount (₹)
10.70 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 22, 2021	1,000,000,000
8.75 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2021	33,896,263,000
8.90 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2021	13,112,298,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2021 <sup>(1)</sup>	74,385,000
10.65 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 7, 2021	5,000,000,000
8.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 23, 2021	7,000,000,000
8.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 16, 2021	8,000,000,000
8.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 11, 2021	100,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 7, 2021	150,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 29, 2021	100,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 21, 2021	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 10, 2021	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 12, 2021	250,000,000
10.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 18, 2021	200,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 8, 2021	750,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 19, 2021	1,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 7, 2021	3,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 20, 2020	2,550,000,000
9.35 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 18, 2020	4,250,000,000
9.40 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 4, 2020	10,000,000,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 13, 2020	150,000,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 7, 2020	150,000,000
9.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 11, 2020	500,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 1, 2020 <sup>** &amp; (1)</sup>	1,600,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 12, 2020 <sup>** &amp; (1)</sup>	180,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 5, 2020 <sup>** &amp; (1)</sup>	200,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 4, 2020 <sup>** &amp; (1)</sup>	50,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 30, 2020 <sup>** &amp; (1)</sup>	195,000,000
9.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 30, 2020	833,335,000
8.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 27, 2020 <sup>**</sup>	250,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 27, 2020	200,000,000
8.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 13, 2020 <sup>** &amp; (1)</sup>	2,500,000,000
8.55 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 2, 2020	1,000,000,000
9.45 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 8, 2019	1,000,000,000
4.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 2, 2019 <sup>(1)</sup>	2,000,000,000
4.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 27, 2019 <sup>(1)</sup>	3,000,000,000
9.65 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 14, 2019	150,000,000
9.88 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 30, 2019	100,000,000
8.567 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 15, 2019	13,300,000,000
9.90 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 13, 2019	150,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 29, 2019	950,000,000
8.55 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2019	267,128,000
8.65 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2019	5,619,200,000
8.70 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2019	653,152,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2019 <sup>(1)</sup>	56,037,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 3, 2019 <sup>(1)</sup>	500,000,000
8.65 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 22, 2019	16,000,000,000
8.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 9, 2019	2,600,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 15, 2019	500,000,000

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(i) Redeemable Non Convertible Debentures (payable at par unless otherwise stated) (secured and unsecured unless otherwise stated) include:* (Contd.)	As at March 31, 2017 Amount (₹)
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 15, 2019 <sup>(1)</sup>	750,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 28, 2019	3,400,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 21, 2019	500,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 11, 2019 <sup>(1)</sup>	100,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 15, 2019 <sup>(1)</sup>	370,000,000
8.95 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 12, 2019	250,000,000
9.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 29, 2019	833,332,500
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 29, 2019	1,000,000,000
9.4953 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 11, 2019	500,000,000
9.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 9, 2019	500,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 22, 2019	1,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 19, 2019	1,000,000,000
9.078 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 14, 2019	65,000,000
8.95 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 27, 2018	50,000,000
9.2775 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 13, 2018	630,000,000
8.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 23, 2018**	5,000,000,000
9.1775 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 22, 2018	520,000,000
9.1775 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 8, 2018	580,000,000
9.455 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 12, 2018	2,250,000,000
9.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 9, 2018	2,500,000,000
8.55 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 31, 2018	500,000,000
9.10 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 31, 2018	200,000,000
9.10 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 27, 2018	700,000,000
9.10 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 20, 2018	2,000,000,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 20, 2018	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 16, 2018 <sup>(1)</sup>	700,000,000
8.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 10, 2018	14,000,000,000
8.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 9, 2018	13,000,000,000
9.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 1, 2018	450,000,000
9.1067 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 25, 2018	160,000,000
9.35 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 19, 2018	750,000,000
8.95 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 18, 2018	2,000,000,000
8.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 29, 2018**	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 28, 2018	500,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 26, 2018	1,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 20, 2018	2,000,000,000
8.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 15, 2018**	1,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 13, 2018 <sup>(1)</sup>	700,000,000
9.45 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 27, 2018	40,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 25, 2018	240,000,000
9.90 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 20, 2018	150,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 4, 2018	200,000,000
	<b>287,816,667,500</b>

(1) Redeemable at premium

\* Redeemable Non-Convertible Debentures are secured against Immovable Property / Current Assets and pool of Current and Future Loan Receivables of the Company.

\*\* As at the year end, the Company was in the process of creating the charge / security on assets.

# Unsecured Redeemable Non-Convertible Debentures.



## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(i) Redeemable Non Convertible Debentures (payable at par unless otherwise stated) (secured unless otherwise stated) include:*	As at March 31, 2016 Amount (₹)
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 13, 2026**	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 7, 2026	500,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 31, 2025	100,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 20, 2025	2,650,000,000
9.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 26, 2025	10,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 19, 2025	250,000,000
9.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 31, 2024	250,000,000
9.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 16, 2024	250,000,000
10.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 30, 2024	250,000,000
10.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 5, 2024	250,000,000
10.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 24, 2023	250,000,000
10.55 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 21, 2023	4,000,000,000
10.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 8, 2023	250,000,000
11.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 29, 2023	10,000,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 25, 2023	50,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 19, 2023	1,000,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 26, 2023	250,000,000
10.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 16, 2023	350,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 31, 2022	500,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 18, 2022	150,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 20, 2022	100,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 19, 2022	150,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 6, 2022	150,000,000
10.70 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 6, 2022	200,000,000
10.70 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 28, 2022	8,000,000,000
10.75 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 3, 2022	1,250,000,000
10.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 27, 2022	5,000,000,000
10.70 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 22, 2021	1,000,000,000
10.65 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 7, 2021	5,000,000,000
10.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 18, 2021	200,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 8, 2021	750,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 19, 2021	1,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 7, 2021	3,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 20, 2020	2,550,000,000
9.35 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 18, 2020	4,250,000,000
9.40 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 4, 2020	10,000,000,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 13, 2020	150,000,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 7, 2020	150,000,000
9.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 11, 2020	500,000,000
9.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 30, 2020**	833,335,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 27, 2020	200,000,000
9.45 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 8, 2019	1,000,000,000
4.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 2, 2019 <sup>(1)</sup>	2,000,000,000
4.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 27, 2019 <sup>(1)</sup>	3,000,000,000

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(i) Redeemable Non Convertible Debentures (payable at par unless otherwise stated) (secured unless otherwise stated) include:* (Contd.)	As at March 31, 2016 Amount (₹)
9.65 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 14, 2019	150,000,000
9.88 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 30, 2019	100,000,000
9.90 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 13, 2019	150,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 29, 2019	950,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 25, 2019 <sup>(1)</sup>	3,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 15, 2019	5,000,000,000
9.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 29, 2019**	833,332,500
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 29, 2019**	1,000,000,000
9.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 11, 2019**	500,000,000
9.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 9, 2019	500,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 22, 2019**	1,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 19, 2019	1,000,000,000
9.08 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 14, 2019	65,000,000
8.95 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 27, 2018	50,000,000
9.28 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 13, 2018	630,000,000
9.18 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 22, 2018	520,000,000
9.18 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 8, 2018	580,000,000
9.46 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 12, 2018**	2,250,000,000
9.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 9, 2018	2,500,000,000
9.10 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 31, 2018	200,000,000
9.10 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 27, 2018	700,000,000
9.10 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 20, 2018	3,000,000,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 20, 2018	250,000,000
9.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 1, 2018	450,000,000
9.11 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 25, 2018	160,000,000
9.35 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 19, 2018	750,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 26, 2018	1,000,000,000
9.45 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 27, 2018	40,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 25, 2018	240,000,000
9.90 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 20, 2018	150,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 4, 2018	200,000,000
9.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 29, 2018**	833,332,500
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 28, 2018**	500,000,000
9.65 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 28, 2018	1,000,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 28, 2018 <sup>(1)</sup>	1,000,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 25, 2018	150,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 19, 2018	1,000,000,000
10.10 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 19, 2018	1,000,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 14, 2018 <sup>(1)</sup>	320,000,000
9.49 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 12, 2018**	2,350,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 9, 2018	200,000,000
9.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 9, 2018	7,200,000,000
9.35 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 5, 2018	100,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 23, 2018 <sup>(1)</sup>	400,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 19, 2018	500,000,000
10.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 16, 2018	400,000,000

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(i) Redeemable Non Convertible Debentures (payable at par unless otherwise stated) (secured unless otherwise stated) include:* (Contd.)	As at March 31, 2016 Amount (₹)
10.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 28, 2017	1,500,000,000
10.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 17, 2017	401,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 1, 2017 <sup>(1)</sup>	100,000,000
9.58 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 25, 2017	250,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 24, 2017 <sup>(1)</sup>	350,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 16, 2017 <sup>(1)</sup>	100,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 8, 2017 <sup>(1)</sup>	270,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 31, 2017 <sup>(1)</sup>	60,000,000
9.88 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 30, 2017	50,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 26, 2017 <sup>(1)</sup>	250,000,000
9.90 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 23, 2017	30,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 19, 2017 <sup>(1)</sup>	100,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 11, 2017 <sup>(1)</sup>	30,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 29, 2017	1,810,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 25, 2017 <sup>(1)</sup>	430,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 11, 2017 <sup>(1)</sup>	280,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 30, 2017 <sup>(1)</sup>	130,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 18, 2017	350,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 17, 2017 <sup>(1)</sup>	150,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 8, 2017 <sup>(1)</sup>	190,000,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 3, 2017	250,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 31, 2017 <sup>(1)</sup>	50,000,000
9.19 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 24, 2017	1,000,000,000
9.11 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 17, 2017	130,000,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 16, 2017	250,000,000
10.35 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 27, 2017	3,250,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 26, 2017 <sup>(1)</sup>	50,000,000
9.28 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 23, 2017	4,000,000,000
9.28 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 19, 2017	3,000,000,000
10.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 16, 2017	250,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 12, 2017 <sup>(1)</sup>	50,000,000
4.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 5, 2017 <sup>(1)</sup>	3,000,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 29, 2017 <sup>(1)</sup>	60,000,000
10.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 30, 2017	5,000,000,000
9.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 27, 2017	25,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 27, 2017 <sup>(1)</sup>	90,000,000
9.05 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 11, 2017	245,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 11, 2017	90,000,000
9.05 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 10, 2017	115,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 10, 2017	120,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 6, 2017 <sup>(1)</sup>	30,000,000
	<b>154,741,000,000</b>

(1) Redeemable at premium

\* Redeemable Non-Convertible Debentures are secured against Immovable Property / Current Assets and pool of Current and Future Loan Receivables of the Company.

\*\* As at the year end, the Company was in the process of creating the charge / security on assets.

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(ii) (a)(I) Term Loan from banks includes as at March 31, 2017 <sup>(1)</sup> :	As at March 31, 2017 Amount (₹)
<b>Particulars</b>	
Term Loan taken from Bank. This loan is repayable in quarterly installment with moratorium period of 6 month from the date of disbursement. The balance tenure for this loan is 125 months from the Balance Sheet.	3,534,482,751
Term Loan taken from Bank(s), These loans are repayable in half yearly installment after the moratorium of 3 years from the date of disbursement. The balance tenure for these loans are 30 months (average) from the Balance Sheet.	2,000,000,000
Term Loan taken from Bank(s), These loans are repayable in quarterly installment with moratorium period of 1 year from the date of disbursement. The loan is secured by hypothecation of loan receivables of the company. The balance tenure for these loans are 21 months (average) from the Balance Sheet.	21,052,083,324
Term Loan taken from Bank(s), These loans are repayable in yearly installment from the date of disbursement. The balance tenure for these loans are 31 months (average) from the Balance Sheet.	13,000,000,000
Term Loan taken from Bank(s), These loans are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for these loans are 31 months (average) from the Balance Sheet.	100,513,266,667
Term Loan of taken from Bank(s), These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loans are 12 months (average) from the Balance Sheet.	8,500,000,000
Term Loan taken from Bank(s), These loans are repayable in yearly installment after the moratorium period of 1 year from the date of disbursement. The balance tenure for these loans are 38 months (average) from the Balance Sheet.	7,000,000,000
Term Loan taken from Bank, This loan is repayable in monthly installment from the date of disbursement. The balance tenure for this loan is 61 months from the Balance Sheet.	416,666,667
Term Loan taken from Bank(s), These loans are repayable in quarterly installment from the date of disbursement. The balance tenure for these loans are 19 months (average) from the Balance Sheet.	19,788,333,344
Term loan taken from Bank. This loan is repayable in Equal half yearly installments in 24th, 30th and 36th months. The balance tenure for this loan is 22 months from the Balance Sheet.	1,500,000,000
Term loan taken from Bank. This loan is repayable - in two equal installment at the end of 18th and 30th months. The balance tenure for this loan is 18 months from the Balance Sheet.	5,000,000,000
Term Loan taken from Bank(s), These loans are repayable in yearly installment with the moratorium period of 3 years from the date of disbursement. The balance tenure for these loans are 52 months (average) from the Balance Sheet.	31,400,000,000
Term Loan taken from Bank(s), These loans are repayable in half yearly installment with the moratorium period of 1 year from the date of disbursement. The balance tenure for these loans are 20 months (average) from the Balance Sheet.	7,000,000,000
Term Loan taken from Bank(s). These loans are repayable in half yearly installments with the moratorium period of 1.5 years from the date of disbursement. The balance tenure for these loans are 40 months from the Balance Sheet.	21,500,000,000
Term Loan taken from Bank. This loan is repayable at the end of 18 months and 30th month from the date of disbursement. The balance tenure for this loan is 21 months from the Balance Sheet.	5,000,000,000
Term Loan taken from Bank. This loan is repayable at the end of 24 months and 35th month from the date of disbursement. The balance tenure for this loan is 35 months from the Balance Sheet.	10,000,000,000
Term Loan taken from Bank. This loan is repayable in Quarterly Installment with moratorium of 18 months from the date of disbursement. The balance tenure for this loan is 12 months from the Balance Sheet. <sup>(2)</sup>	750,000,000
Term Loan of taken from Bank(s), These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loans are 46 months (average) from the Balance Sheet. <sup>(3), (4) &amp; *</sup>	22,693,510,000
Term Loan of taken from Bank. This loan are repayable at the end of 49th, 61th and 72th months from the date of disbursement The balance tenure for this loan is 44 months from the Balance Sheet. <sup>(3), (4) &amp; *</sup>	3,241,930,000
Term Loan of taken from Bank. This loan is repayable at the end of 3rd, 6th and 24th months from the date of disbursement The balance tenure for this loan is 5 months from the Balance Sheet. <sup>(3) &amp; *</sup>	187,034,422
Term Loan taken from Bank. This loan is repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for this loan is 58 months from the Balance Sheet. <sup>(3) &amp; *</sup>	1,431,947,880
Term Loan taken from Bank. This loan is repayable in yearly installment with the moratorium period of 3 years from the date of disbursement. The balance tenure for this loan is 60 months from the Balance Sheet. <sup>(3) &amp; *</sup>	1,749,767,316
Term Loan taken from Bank(s), This loan is repayable in quarterly installment with moratorium period of 6 month from the date of disbursement. The balance tenure for these loans are 18 months from the Balance Sheet date.	833,333,332
Term Loan taken from Bank(s), These loans are repayable in quarterly instalment from the date of disbursement. The balance tenure for these loans are 27 months (average) from the Balance Sheet date.	1,166,666,667

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(ii) (a)(1) Term Loan from banks includes as at March 31, 2017 <sup>(1)</sup> : (Contd.)	As at March 31, 2017 Amount (₹)
<b>Particulars</b>	
Term Loan taken from Bank(s). This loan is repayable in yearly installment with the moratorium period of 3 years from the date of disbursement. The balance tenure for these loans are 61 months from the Balance Sheet date.	2,000,000,000
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for these loans are 44 months (average) from the Balance Sheet date.	8,000,000,000
Term Loan taken from Bank(s). This loan is repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for these loans are 61 months from the Balance Sheet date. <sup>(3)</sup>	990,658,518
<b>Total (a)(1)</b>	<b>300,249,680,888</b>

(1) Linked to base rate / MCLR of respective lenders

(2) Loan taken other than from banks for ₹ 750,000,000

(3) Linked to Libor

(4) Includes External commercial borrowings from banks for ₹ 25,935,440,000

\* Secured by hypothecation of Loan Receivables(Current and Future) / Current Assets / Cash and Cash Equivalents of the Company.

(ii) (a)(1) Term Loan from banks includes as at March 31, 2016 <sup>(1)</sup> :	As at March 31, 2016 Amount (₹)
<b>Particulars</b>	
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 6 months from the date of disbursement. The balance tenure for these loans are 70 months (average) from the Balance Sheet date.	4,018,310,339
Term Loan taken from Bank(s). These loans are repayable in half yearly installment after the moratorium of 3 years from the date of disbursement. The balance tenure for these loans are 30 months (average) from the Balance Sheet date.	2,500,000,000
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 1 years from the date of disbursement. The balance tenure for these loans are 33 months (average) from the Balance Sheet date.	8,461,805,548
Term Loan taken from Bank(s). These loans are repayable in yearly installment from the date of disbursement. The balance tenure for these loans are 38 months (average) from the Balance Sheet date.	17,200,000,000
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for these loans are 35 months (average) from the Balance Sheet date.	105,013,300,004
Term Loan taken from Bank(s). These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loans are 13 months (average) from the Balance Sheet date.	17,500,000,000
Term Loan taken from Bank(s). These loans are repayable in yearly installment after the moratorium period of 1 year from the date of disbursement. The balance tenure for these loans are 33 months (average) from the Balance Sheet date.	18,083,333,333
Term Loan taken from Bank. This loan is repayable in monthly installment from the date of disbursement. The balance tenure for this loan is 73 months from the Balance Sheet date.	500,000,000
Term Loan taken from Bank(s). These loans are repayable in quarterly installment from the date of disbursement. The balance tenure for these loans are 24 months (average) from the Balance Sheet date.	20,437,349,108
Term Loan taken from Bank. This loan is repayable in quarterly installment after the moratorium of 2 years from the date of disbursement. The balance tenure for this loan is 21 months from the Balance Sheet date.	1,750,000,000
Term loan taken from Bank. This loan is repayable in equal half yearly installment in 24th , 30th and 36th months. The balance tenure for this loan is 34 months from the Balance Sheet date.	1,500,000,000
Term loan taken from Bank. This loan is repayable in two equal installment at the end of 18th and 30th months. The balance tenure for this loan is 30 months from the Balance Sheet date.	5,000,000,000
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 3 years from the date of disbursement. The balance tenure for these loans are 57 months (average) from the Balance Sheet date.	24,900,000,000
Term Loan taken from Bank(s). These loans are repayable in quarterly Installments with moratorium of 18 months from the date of disbursement. The balance tenure for these loans are 21 months (average) from the Balance Sheet date. <sup>(2)</sup>	3,642,857,142
Term Loan taken from Bank(s). These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loans are 12 months (average) from the Balance Sheet. <sup>(3),(4) &amp; *</sup>	12,043,446,125
Term Loan taken from Bank. This loan is repayable in equal installments at the 49th , 61th and 72nd month from the date of the first drawdown. The balance tenure for this loan is 56 months from the Balance Sheet date date. <sup>(3),(4) &amp; *</sup>	3,316,645,000
Term loan taken from Bank. The balance amount is payable after 24 months from the date of disbursement. The balance tenure for this loan is 17 months from the Balance Sheet. <sup>(3),(4) &amp; *</sup>	191,344,905



## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(ii) (a)(1) Term Loan from banks includes as at March 31, 2016<sup>(1)</sup>: (Contd.)

Particulars	As at March 31, 2016 Amount (₹)
Term Loan taken from Bank(s), This loan is repayable in quarterly installment with moratorium period of 6 month from the date of disbursement. The balance tenure for these loans is 30 months from the Balance Sheet date.	1,388,888,888
Term Loan taken from Bank(s), This loan is repayable in yearly installment from the date of disbursement. The balance tenure for this loan is 12 months from the Balance Sheet date.	333,333,333
Term Loan taken from Bank(s), This loan is repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for this loan is 45 months from the Balance Sheet date.	1,500,000,000
Term Loan taken from Bank(s), This loan are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for this loan is 48 months from the Balance Sheet date.	1,500,000,000
<b>Total (a)(1)</b>	<b>250,780,613,725</b>

- (1) Linked to base rate of respective lenders
- (2) Includes Loan taken other than from banks for ₹ 1,500,000,000
- (3) Linked to Libor
- (4) Includes External commercial borrowings from banks for ₹13,266,580,000

\* Secured by hypothecation of Loan Receivables (Current and Future) / Current Assets / Cash and Cash Equivalents of the Company.

(iii) Subordinate Debt:-

Particulars	As at March 31, 2017 Amount (₹)
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on November 15, 2027	326,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 30, 2027	496,500,000
10.25% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 28, 2027	1,000,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 05, 2027	1,100,300,000
9.30% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 29, 2026	6,097,000,000
10.00% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on August 03, 2025	1,650,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on July 21, 2025	81,500,000
9.70% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 17, 2025	50,000,000
10.85% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on July 17, 2024	100,000,000
10.80 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on December 23, 2023	200,000,000
10.85 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on October 24, 2023	50,000,000
10.85 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on September 27, 2023	250,000,000
10.10 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on September 23, 2023	250,000,000
9.90 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 3, 2023	1,250,000,000
9.80 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on May 23, 2023	200,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 28, 2023	250,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 06, 2023	200,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on February 18, 2023	250,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on January 30, 2023	100,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on January 14, 2023	250,000,000
10.20% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on December 04, 2022	200,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on November 15, 2022	11,000,000
10.30% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on October 31, 2022	250,000,000
10.30% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on October 22, 2022	400,000,000
10.30% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on October 09, 2022	350,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 05, 2022	150,000,000
11.00% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 30, 2022	150,000,000
11.85% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on February 22, 2022	200,000,000
11.85% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on January 31, 2022	362,000,000
	<b>16,224,300,000</b>

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(iii) Subordinate Debt:-	As at
Particulars	March 31, 2016
	Amount (₹)
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on November 15, 2027	326,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 30, 2027	496,500,000
10.25% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 28, 2027	1,000,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 05, 2027	1,100,300,000
10.00% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on August 03, 2025	1,650,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on July 21, 2025	81,500,000
9.70% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 17, 2025	50,000,000
10.85% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on July 17, 2024	100,000,000
10.80 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on December 23, 2023	200,000,000
10.85 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on October 24, 2023	50,000,000
10.85 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on September 27, 2023	250,000,000
10.10 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on September 23, 2023	250,000,000
9.90 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 3, 2023	1,250,000,000
9.80 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on May 23, 2023	200,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 28, 2023	250,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 06, 2023	200,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on February 18, 2023	250,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on January 30, 2023	100,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on January 14, 2023	250,000,000
10.20% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on December 04, 2022	200,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on November 15, 2022	11,000,000
10.30% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on October 31, 2022	250,000,000
10.30% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on October 22, 2022	400,000,000
10.30% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on October 09, 2022	350,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 05, 2022	150,000,000
11.00% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 30, 2022	150,000,000
11.85% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on February 22, 2022	200,000,000
11.85% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on January 31, 2022	362,000,000
10.50% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 26, 2018	1,250,000,000
11.60% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 22, 2017	1,000,000
11.60% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on May 31, 2017	150,000,000
	<b>11,528,300,000</b>

### (31) CONTINGENT LIABILITY AND COMMITMENTS:

- (a) Demand pending u/s 143(3) of the Income Tax Act, 1961:-
- (i) For ₹ Nil with respect to FY 2006-07 (Previous Year ₹ 1,612,574) against disallowance U/s 14A of the Income Tax Act, 1961, against which the appeal was pending before ITAT.
  - (ii) For ₹ 2,414,210 with respect to FY 2007-08 (Previous Year ₹ 2,414,210) against disallowance U/s 14A of the Income Tax Act, 1961, against which the appeal is pending before High Court.
  - (iii) For ₹ 49,028,721 with respect to FY 2007-08 (Previous Year ₹ 51,442,931) against disallowance U/s 14A, against which the appeal is pending before ITAT.
  - (iv) For ₹ 12,301,239 with respect to FY 2008-09 (Previous Year ₹ 12,301,239) against disallowance U/s 14A of the Income Tax Act, 1961, against which the appeal is pending before Supreme Court.

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

- (v) For ₹ 12,737,519 with respect to FY 2010-11 (Previous Year ₹ 12,737,519) against disallowance U/s 14A of the Income Tax Act, 1961, against which the department has filed appeal before the ITAT against the order of CIT (Appeals).
- (vi) For ₹ Nil with respect to FY 2011-12 (Previous Year ₹ 11,625,706) against disallowances U/s 14A and 32 (1) of the Income Tax Act, 1961 against which the appeal was pending before CIT (Appeals).
- (vii) For ₹ 17,526,280 with respect to FY 2011-12 (Previous Year ₹ 17,526,280) against disallowance of bad debts U/s 36 (1) (vii) of the Income Tax Act, 1961, against which the appeal is pending before ITAT.
- (viii) For ₹ 632,676 with respect to FY 2012-13 (Previous Year ₹ 632,676) against disallowance U/s 37 of the Income Tax Act, 1961, against which the appeal is pending before CIT (Appeals).
- (ix) For ₹ 764,126 with respect to FY 2012-13 (Previous Year ₹ Nil) against disallowances u/s 14A and 32 (1) of the Income Tax Act, 1961, against which the appeal is pending before CIT (Appeals).
- (b) (i) Demand pending u/s of 25, 55, 56 & 61 of The Rajasthan Value Added Tax Act, 2003 for ₹ 14,505,873 (Including interest & Penalty) with respect to FY 2007-08 to FY 2012-13 (Previous Year ₹ 14,505,873) against which appeal was pending before Rajasthan High Court. The Company has paid tax along with interest for ₹ 6,231,069 (Previous Year ₹ 6,231,069) under protest. Further the company has deposited ₹ 2,068,701 (Previous Year ₹ NIL) on May 30, 2016. Further, the company has opted for New Amnesty Scheme 2016 and accordingly deposited 25 % of the disputed demand amount and withdrawn appeal before the Hon'ble High Court.
- (ii) Demand pending u/s of 25, 55 & 61 of The Rajasthan Value Added Tax Act, 2003 for ₹ Nil (Including interest & Penalty) with respect to FY 2012-13 to FY 2014-15 (Previous Year ₹ 1,240,200) against which appeal was pending before The Appellate Authority-II, Commercial Taxes, Jaipur. The Company has paid tax along with interest for ₹ Nil (Previous Year ₹ 472,200 under protest). Further, the company has opted for New Amnesty Scheme 2016 and accordingly deposited 25 % of the disputed demand amount for ₹ 192,000 (previous Year ₹ Nil) and withdrawn our appeal before the Appellate Authority-II.
- (c) Corporate counter guarantees outstanding in respect of securitisation/ assignment agreements entered by the Company with different assignees as at March 31, 2017 is ₹ 1,879,775,887 (Previous Year ₹ 1,879,775,887) against which collateral deposit of ₹ 87,150,746 (Previous Year ₹ 81,059,574) for the period ended March 31, 2017 is being provided to the assignees by the Company in the form of Fixed Deposit Receipts. The Company does not anticipate any losses on account of the said corporate guarantees, in the event of the rights under guarantee being exercised by the assignees.
- (d) The Group in the ordinary course of business, has certain court cases pending, the management does not expect any unfavourable outcome resulting in material adverse effect on the financial position of the Group.
- (e) Capital commitments for acquisition of fixed assets at various branches as at the year end (net of capital advances paid) ₹ 639,154,340 (Previous Year ₹ 102,142,251).
- (f) Contingent liability with respect to Security deposit to the Bombay Stock Exchange (Representing 1% of the issue amount i.e ₹ 700,000,000 of Retail Bond issue) against which security deposit provided by the company to the exchange is ₹ 30,000,000 and the balance is in the form of a bank guarantee).
- (32)** The Company was holding 57.50% of the capital of Indiabulls Finance Company Private Limited (IFCPL), which has become a subsidiary of the Company during the financial year 2013-14 pursuant to the Scheme of Arrangement. The balance 42.50% or 3,233,696 Equity Shares were held by Amaprop Limited (Amaprop), vide a Share Subscription and Shareholders Agreement (SHA) entered into between the erstwhile Holding Company [Indiabulls Financial Services Limited (IBFSL)], IFCPL and Amaprop.

The Company had purchased the remaining 42.50% or 3,233,696 Equity Shares, which were earlier held by Amaprop Limited at a consideration of ₹ 2,616,891,255. Post this transaction IFCPL is a wholly owned subsidiary of the Company.

During the financial year 2014-15, the Company had further invested ₹ 1,000,020,000 by subscribing to 3,333,400 Equity Shares of face value ₹ 10 per share at a premium of ₹ 290 per equity share.

IFCPL is merged with Indiabulls Commercial Credit Limited with appointed date April 01, 2015. (Refer Note 40)

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (33) Segment Reporting:

Segment information for the Year ended March 31, 2017, as per Accounting Standard (AS)-17 "Segment Reporting".

(a) Primary segment information (by business segments)

Particulars	Amount (₹)		
	Investing and financing related activities	Fee Income	Total
Segment Revenue <sup>#</sup>	115,239,242,773 <i>90,829,213,896</i>	1,694,855,263 <i>1,301,544,632</i>	116,934,098,036 <i>92,130,758,528</i>
Segment Result	36,784,505,811 <i>30,587,699,027</i>	1,398,281,216 <i>1,110,516,068</i>	38,182,787,027 <i>31,698,215,095</i>
Less: Unallocated expenditure net of other unallocated income			464,747,838 <i>409,559,772</i>
Less: Current taxes (Net of Mat Credit entitlement) and Deferred tax charge			8,632,519,822 <i>7,759,677,696</i>
Profit after tax			29,085,519,367 <i>23,528,977,627</i>
Segment Assets	1,031,451,077,621 <i>752,498,706,676</i>	383,554,645 <i>142,972,851</i>	1,031,834,632,266 <i>752,641,679,527</i>
Unallocated Corporate Assets			5,219,277,352 <i>4,555,489,184</i>
Total Assets			1,037,053,909,618 <i>757,197,168,711</i>
Segment Liabilities	913,713,871,781 <i>648,296,148,251</i>	97,940,440 <i>204,770,101</i>	913,811,812,221 <i>648,500,918,352</i>
Unallocated Corporate Liabilities			2,017,391,269 <i>1,757,016,901</i>
Total Liabilities			915,829,203,490 <i>650,257,935,253</i>
Capital Expenditure	1,021,856,852 <i>(822,455,494)</i>	1,120,302 <i>2,074,554</i>	1,022,977,154 <i>(820,380,940)</i>
Unallocated Capital Expenditure			224,310,837 <i>132,820,587</i>
Total Capital Expenditure			1,247,287,991 <i>(687,560,353)</i>
Depreciation / Amortisation	129,129,777 <i>114,652,887</i>	1,827,671 <i>2,159,267</i>	130,957,448 <i>116,812,154</i>
Unallocated Depreciation			100,253,249 <i>86,794,557</i>
Total Depreciation / Amortisation			231,210,697 <i>203,606,711</i>
Non-Cash expenditure other than depreciation	8,165,060,041 <i>5,336,162,160</i>	4,761,902 <i>5,304,949</i>	8,169,821,943 <i>5,341,467,109</i>
Unallocated Non-Cash expenditure other than depreciation			2,738 <i>270,355</i>
Total Non-Cash Expenditure other than depreciation			8,169,824,681 <i>5,341,737,464</i>

(Figures in respect of previous years are stated in italics)

# Includes Dividend Income on units of Mutual Fund, Gain on Mutual Fund Investments and Profit on sale of current investments included in other income.

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

- (b) The Company operates solely in one Geographic segment namely “Within India” and hence no separate information for Geographic segment wise disclosure is required.
- (c) The group’s primary business segments are reflected based on principal business activities carried on by the Group. The Group’s primary business activities are to carry on business of investing and finance related activities (investing in various subsidiaries, financing of loans and credit activities) and fee income which mainly comprises of financial service related Fee Income from Services, selling of Insurance products as a Licensed Corporate Agent; and other related ancillary services.
- (d) Segment revenue, results, assets and liabilities include amounts identifiable to each segment and amounts allocated on a reasonable basis.
- (e) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information as disclosed in Significant Accounting Policies (1) above.

#### (34) Disclosures in respect of Related Parties as per Accounting Standard, AS-18, ‘Related Parties Disclosures’.

##### (a) Details of Related Party:

Nature of relationship	Related party
Associate Company	OakNorth Holdings Limited (W.e.f. November 13, 2015)
Key Management Personnel	Mr. Sameer Gehlaut, Chairman & Executive Director Mr. Gagan Banga, Vice-Chairman, Managing Director & CEO Mr. Ashwini Omprakash Kumar, Deputy Managing Director Mr. Ajit Kumar Mittal, Executive Director Mr. Sachin Chaudhary, Executive Director (from October 21, 2016)

##### (b) Significant transactions with related parties during the year ended March 31, 2017: Amount (₹)

Nature of Transaction	Key Management Personnel	Total
<b>Other receipts and payments</b>		
Interest Income on Loan	1,048,976	1,048,976
	-	-
Salary / Remuneration (including perquisite and retirement benefits)	658,440,029	658,440,029
	<i>583,661,957</i>	<i>583,661,957</i>
Issue of Equity Shares Under ESOP Schemes	185,637,270	185,637,270
	<i>37,196,510</i>	<i>37,196,510</i>

(Figures in respect of previous years are stated in italics)

##### (c) Outstanding balance as at March 31, 2017: Amount (₹)

Nature of Transaction	Key Management Personnel	Total
Loan given	23,519,547	23,519,547
	N.A.	N.A.



## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(d) **Statement of Partywise transactions during the Year:**

Particulars	Amount (₹)	
	For the Year ended March 31, 2017	For the Year ended March 31, 2016
<b>Interest Income on Loan</b>		
<b>Key Management Personnel</b>		
Mr. Sachin Chaudhary*	1,048,976	-
<b>Salary / Remuneration / Retiral Benefits</b>		
<b>Remuneration to Directors</b>		
Mr. Sameer Gehlaut	250,210,428	250,210,428
Mr. Gagan Banga	123,493,354	103,667,684
Mr. Ajit Kumar Mittal	28,148,380	23,626,140
Mr. Ashwini Omprakash Kumar	56,993,630	46,336,852
Mr. Sachin Chaudhary*	27,871,560	N.A.
<b>Retiral Benefits</b>		
Mr. Sameer Gehlaut	160,441,222	158,739,862
Mr. Gagan Banga	6,646,356	103,233
Mr. Ajit Kumar Mittal	381,622	60,874
Mr. Ashwini Omprakash Kumar	4,050,001	916,884
Mr. Sachin Chaudhary*	203,476	N.A.
<b>Issue of Equity Shares Under ESOPS Schemes</b>		
Mr. Gagan Banga	107,756,790	-
Mr. Ajit Kumar Mittal	36,006,730	37,196,510
Mr. Sachin Chaudhary*	41,873,750	N.A.
<b>Loan given</b>		
Mr. Sachin Chaudhary*	23,519,547	N.A.

Related Party relationships as given above are as identified by the Company.

\* Salary and retiral benefits has only been considered from October 21, 2016 onwards (date of appointment as a director).

**(35) EARNINGS PER EQUITY SHARE (EPS):**

Earnings Per Equity Share (EPS) as per Accounting Standard (AS)-20 "Earnings Per Share".

The basic earnings per share is computed by dividing the net profit attributable to Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of Equity Shares and also the weighted average number of Equity Shares that could have been issued on the conversion of all dilutive potential Equity Shares. The dilutive potential Equity Shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential Equity Shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The number of Equity Shares and potential diluted Equity Shares are adjusted for potential dilutive effect of Employee Stock Option Plan as appropriate. Potential dilutive Equity Shares on account of Share warrants are not adjusted being anti dilutive in nature.

Particulars	Amount (₹)	
	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit available for Equity Shareholders (₹)	29,063,928,177	23,447,329,839
Weighted average number of Shares used in computing Basic earnings per share (Nos.)	422,455,701	391,814,413
Add: Potential number of Equity Share that could arise on exercise of Share Warrants and Employee Stock Options (Nos.)	5,096,073	7,293,625
Weighted average number of Shares used in computing Diluted earnings per share (Nos.)	427,551,774	399,108,038
Face Value of Equity Shares (₹)	2.00	2.00
Basic Earnings Per Equity Share (₹)	68.80	59.84
Diluted Earnings Per Equity Share (₹)	67.98	58.75

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(36) In respect of amounts as mentioned under Section 124 of the Companies Act, 2013, there were no dues (Previous Year ₹ Nil) required to be credited to the Investor Education and Protection Fund as on March 31, 2017.

(37) Details of Share Application Money Pending Allotment

As at March 31, 2017

No of Equity Shares to be issued	Face Value (₹)	Premium (₹)	Total Price Per Equity Share (₹)	Total Amount (₹)	Scheme
9,935	2.00	392.75	394.75	3,921,842	IBHFL ESOS - 2013
1,350	2.00	93.95	95.95	129,533	IBHFL-IBFSL Employees Stock Option – 2008
<b>11,285</b>		<b>Grand Total</b>		<b>4,051,375</b>	

(38) The Company has entered into various agreements for the assignment/securitisation of loans with assignees, wherein it has assigned/securitised a part of its secured loan portfolio amounting to ₹ 175,785,532,687 upto March 31, 2017 (₹ 140,777,859,647 upto March 31, 2016), being the principal value outstanding as on the date of the deals that are outstanding as on the Balance Sheet date.

The Company assigned/securitized various loan portfolios to banks and/or other institutions which are derecognised in the books of accounts of the Company in terms of accounting policy mentioned in Significant Accounting policies in Note 1 (x) above and residual income on these Loans is being recognised over the life of the underlying loans and not on an upfront basis.

(39) The Board of Directors at their meeting held on April 27, 2012 had approved the Scheme of Arrangement involving the merger of Indiabulls Financial Services Limited (IBFSL, the Holding Company) with the Company in terms of the provisions of Sections 391 to 394 of the Companies Act, 1956 (the "Scheme of Arrangement"). The Appointed Date of the proposed merger fixed under the Scheme of Arrangement was April 1, 2012. The Hon'ble High Court of Delhi, vide its Order dated December 12, 2012, received by the Company on February 8, 2013, approved the Scheme of Arrangement (Order). In terms of the Court approved Scheme of Arrangement, with the filing of the copy of the Order, on March 8, 2013 with the office of ROC, NCT of Delhi & Haryana (the Effective Date), IBFSL, as a going concern, stands amalgamated with IBHFL with effect from the Appointed Date, being April 1, 2012 (Under the Accounting Standard 14 - Pooling of interest method). Consequent to the Scheme of Arrangement becoming effective, the Board of Directors of the Company, at their meeting held on March 25, 2013, issued and allotted –

- 312,511,167 Equity Shares of ₹ 2 each of the Company,
- 27,500,000 Warrants of the Company (against the listed warrants of IBFSL), and
- 20,700,000 Warrants of the Company (against the unlisted warrants of IBFSL held by certain promoter group entities and Key Management Personnel of IBFSL)

to the Equity Shareholders / Warrants holders of IBFSL, against their holdings in such Equity Shares / Warrants, as on March 20, 2013 i.e. the record date fixed by IBFSL in this regard. The issue of Equity Shares / warrants by the Company was in terms of the share exchange ratio as mentioned in the Court approved Scheme of Arrangement. The Company is in the process of getting its Shares and Warrants (issued in lieu of listed warrants of IBFSL) listed with National Stock Exchange of India Limited and BSE Limited, for which the necessary applications are being finalised to be filed with the Stock Exchanges.

(40) The Board of Directors of Indiabulls Finance Company Private Limited ("IFCPL") and Indiabulls Commercial Credit Limited ("ICCL") (formerly Indiabulls Infrastructure Credit Limited) (both being wholly owned subsidiaries of the Company) at their meeting held on April 16, 2015 had approved, the merger of IFCPL, on an ongoing basis, into ICCL, pursuant to and in terms of the provisions of Section 391 – 394 of the Companies Act, 1956, as amended from time to time. The appointed date of the proposed merger fixed under the Scheme was April 01, 2015. The Hon'ble High Court of Delhi, vide its order dated March 15, 2016, received by the Company on March 31, 2016, approved the Scheme (Order). In terms of the court approved Scheme, with the filing of the copy of the Order, on March 31, 2016 with the office of ROC, NCT of Delhi & Haryana (the Effective Date), the Scheme came into effect and IFCPL, as a going concern, stands amalgamated with ICCL with effect from the Appointed Date, being April 01, 2015. Subsequently the Board of Directors of ICCL, on March 31, 2016, issued and allotted 32,826,288 Equity Shares of ₹10 each of ICCL to the Company against its holding of 10,942,096 fully paid Equity Shares of ₹ 10/- each of IFCPL, in the ratio of 3:1 i.e the Share Exchange Ratio, fixed under the Scheme.

## NOTES

### FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED GROUP FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

- (41) Disclosures in respect of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016 as required vide Notification No. G.S.R. 308(E) dated 30th March, 2017 issued by the Ministry of Corporate Affairs:

Particulars	Note No.	SBNs	Other denomination notes	Amount (₹)	
				Others (Refer notes below)	Total
<b>Closing cash in hand as on 08.11.2016</b>		42,750,000	467,382	108,662 (Refer Note 1)	43,326,044
(+) Permitted receipts	(1)	-	46,597,372 (Refer Note 2)	-	46,597,372
(+) Cash deposited by customers in the Banks	(2)	200,000	-	4,242,367 (Refer Note 3)	4,442,367
(-) Permitted payments		-	821,723	-	821,723
(-) Amount deposited in Banks		42,950,000	41,918,673	4,351,029 (Refer Note 1 & 3)	89,219,702
<b>Closing cash in hand as on 30.12.2016</b>		-	4,324,270	-	4,324,270

- (1) Details of denomination for amounts aggregating to ₹108,662 is not clearly legible from the bank deposit slips available with the Company.
- (2) includes withdrawal from bank aggregating to ₹ 1,345,000.
- (3) amounts aggregating to ₹ 4,242,367 have been directly deposited by customers into the Company's bank accounts towards the repayment of their outstanding amounts for which details of denomination (SBN's / Other denomination notes) is not available with the Management.

- (42) Previous Year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

For and on behalf of the Board of Directors

Sameer Gehlaut Chairman / Whole Time Director DIN : 00060783	Gagan Banga Vice-Chairman, Managing Director & CEO DIN : 00010894	Ashwini Omprakash Kumar Whole Time Director DIN : 03341114	Mukesh Garg CFO	Amit Jain Company Secretary
---	--	--	--------------------	--------------------------------

New Delhi, April 24, 2017

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF INDIABULLS HOUSING FINANCE LIMITED

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of INDIABULLS HOUSING FINANCE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed 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 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.

### Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone

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

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses

## INDEPENDENT AUDITOR'S REPORT (Contd.)

an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 29(a), (b) and (d) to the financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards for material foreseeable losses on long-term contracts including derivative contracts - Refer Note 26(1) to the financial statements.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated

the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the information and representations provided to us by the management we report that the disclosures are in accordance with the books of account and records maintained by the Company and as produced to us by the management, except for the amounts stated in note 40(1) and 40(3) to the financial statements where we are unable to obtain sufficient and appropriate audit evidence to report.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**A. Siddharth**  
Partner  
(Membership No. 31467)  
MUMBAI, April 24, 2017



## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of INDIABULLS HOUSING FINANCE LIMITED (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor’s Responsibility

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

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

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

Company’s internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm’s Registration No. 117366W/W-100018)

**A. Siddharth**  
Partner

(Membership No. 31467)

MUMBAI, April 24, 2017

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except the following:
1. Freehold land located at Lal Dora Village. of Bijwasan, New Delhi, having carrying amount of ₹ 1,131,270 as at March 31, 2017, mortgaged as security towards Secured Non-Convertible Debentures issued by the Company.
  2. Freehold land located at District. Mehsana, Ahmedabad, having carrying amount of ₹ 912,000 as at March 31, 2017, mortgaged as security towards Secured Non-Convertible Debentures issued by the Company.
- wherein, the title deeds are in the name of Indiabulls Financial Services Limited, (erstwhile Holding Company) that was merged with the Company under Section 391 to 394 of the Companies Act, 1956 in terms of the approval of the Honourable High Court of judicature.
- Further, based on the information and explanations given to us, immovable property consisting of a freehold land and a flat (building) whose title deeds have been mortgaged as security towards Secured Non-Convertible Debentures issued by the Company and are held in the name of the Company.
- ii. The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable. The Company being a housing finance company, nothing contained in section 186, except sub-section (1), shall apply.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- vi. Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order pertaining to maintenance of cost records is not applicable.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities. During the year, there were no dues payable in respect of Sales Tax, Value Added Tax, Customs Duty and Excise Duty.
  - b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.
  - c) Details of dues of Income-tax and Value Added Tax which have not been deposited as on March 31, 2017 on account of disputes are given below:

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹)	Amount Unpaid (₹)
The Income- Tax Act, 1961	Disallowance u/s. 14A	High Court of Delhi	Year ended March 31, 2008	2,414,210	2,414,210
The Income- Tax Act, 1961	Disallowance u/s. 14A	Supreme Court	Year ended March 31, 2009	12,301,239	12,301,239
The Income- Tax Act, 1961	Disallowance u/s. 14A	Income Tax Appellate Tribunal	Year ended March 31, 2011	12,737,519	12,737,519
The Income- Tax Act, 1961	Disallowance u/s. 14A and 32(1)	Commissioner Income Tax (Appeals)	Year ended March 31, 2013	764,126	764,126
The Rajasthan Value Added Tax Act, 2003	Disallowance u/s. 25, 55, 56 & 61	Rajasthan High Court	Year ended March 31, 2008 to October 31, 2012	14,505,873	6,206,103

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and dues to debenture holders. During the year the Company has not taken any loans or borrowings from Government.
- ix. In our opinion and according to the information and explanations given to us, money raised by way of public offer for debt instrument and the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds. During the year, the Company has not raised moneys by way of initial public offer or further public offer.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**A. Siddharth**

Partner

(Membership No. 31467)

MUMBAI, April 24, 2017

# BALANCE SHEET

OF INDIABULLS HOUSING FINANCE LIMITED AS AT MARCH 31, 2017

Particulars	Note No.	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
Share capital	3	847,712,080	842,583,924
Reserves and surplus	4	117,841,404,484	104,195,691,308
<b>(2) Share application money pending allotment</b>			
	35	4,051,375	-
<b>(3) Non-current liabilities</b>			
Long-term borrowings	6	529,889,172,308	351,379,233,854
Deferred tax liabilities (net)	7	1,183,546,154	812,419,702
Other long-term liabilities	8	1,590,869,514	1,540,682,457
Long-term provisions	9	7,694,716,139	6,726,006,607
<b>(4) Current liabilities</b>			
Short-term borrowings	10	165,829,975,960	136,608,168,796
Trade payables	11		
(A) Total outstanding dues of micro enterprises and small enterprises; and		-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		59,355,798	90,060,114
Other current liabilities	12	175,097,643,110	139,593,806,920
Short-term provisions	13	2,864,744,880	2,058,513,412
<b>Total</b>		<b>1,002,903,191,802</b>	<b>743,847,167,094</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
Fixed Assets	14		
(A) Tangible assets - Property, Plant and Equipment		817,828,746	633,148,594
(B) Intangible assets		20,508,661	19,398,553
Non-current investments	15	15,302,211,288	14,568,872,539
Long-term loans and advances	16	713,354,030,088	523,069,725,627
Other non-current assets	17	2,142,059,514	3,943,802,202
<b>(2) Current assets</b>			
Current investments	18	126,348,674,339	97,910,735,546
Trade receivables	19	41,049,378	13,287,005
Cash and cash equivalents	20	54,441,188,490	27,119,252,801
Short-term loans and advances	21	81,669,611,536	70,293,655,350
Other current assets	22	8,766,029,762	6,275,288,877
<b>Total</b>		<b>1,002,903,191,802</b>	<b>743,847,167,094</b>
Notes forming part of the financial statements	1 - 42	-	-

In terms of our report attached  
 For Deloitte Haskins & Sells LLP  
 Chartered Accountants

For and on behalf of the Board of Directors

A. Siddharth  
 Partner

Sameer Gehlaut  
 Chairman /  
 Whole Time Director  
 DIN : 00060783

Gagan Banga  
 Vice-Chairman,  
 Managing Director & CEO  
 DIN : 00010894

Ashwini Omprakash Kumar  
 Whole Time Director  
 DIN : 03341114

Mukesh Garg  
 CFO

Amit Jain  
 Company Secretary

Mumbai, April 24, 2017

New Delhi, April 24, 2017

# STATEMENT OF PROFIT AND LOSS

OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Note No.	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
(1) Revenue from operations	23	100,317,064,893	79,329,344,758
(2) Other income	24	12,854,620,660	9,089,869,345
(3) Total revenue (1+2)		<b>113,171,685,553</b>	<b>88,419,214,103</b>
(4) Expenses			
Employee benefits expense	25	4,535,836,530	3,686,296,617
Finance costs	26	63,147,526,569	48,424,107,594
Depreciation and amortisation expense	14	207,100,504	193,714,873
Other expenses	27	8,473,396,732	5,582,833,838
Total expenses		<b>76,363,860,335</b>	<b>57,886,952,922</b>
(5) Profit before tax (3-4)		36,807,825,218	30,532,261,181
(6) Tax expense			
Current tax expense		8,012,871,786	7,343,539,884
Less: MAT Credit Entitlement		-	540,928,519
Net Current Tax expense		8,012,871,786	6,802,611,365
Deferred tax charge (net)	7	371,126,452	788,411,255
Total Tax expense		<b>8,383,998,238</b>	<b>7,591,022,620</b>
(7) Profit for the Year(5-6)		<b>28,423,826,980</b>	<b>22,941,238,561</b>
(8) Earnings per Equity share :	33		
Basic		67.28	58.55
Diluted		66.48	57.48
Face value per Equity share		2.00	2.00
Notes forming part of the financial statements	1 - 42		

In terms of our report attached  
For Deloitte Haskins & Sells LLP  
Chartered Accountants

A. Siddharth  
Partner

Mumbai, April 24, 2017

For and on behalf of the Board of Directors

Sameer Gehlaut  
Chairman /  
Whole Time Director  
DIN : 00060783

Mukesh Garg  
CFO  
New Delhi, April 24, 2017

Gagan Banga  
Vice-Chairman,  
Managing Director & CEO  
DIN : 00010894

Amit Jain  
Company Secretary

Ashwini Omprakash Kumar  
Whole Time Director  
DIN : 03341114



# CASH FLOW STATEMENT

OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017

	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
<b>A Cash flows from operating activities :</b>		
Profit before tax	36,807,825,218	30,532,261,181
Adjustments for:		
Employee Stock Compensation	2,421,921	3,366,850
Provision for Gratuity, Compensated Absences and Superannuation Expense	262,247,386	258,913,842
Provision for Loan Assets	4,597,761,116	2,187,431,118
Contingent Provisions against Standard Assets	1,957,279,755	1,144,500,000
Interest Expense	62,223,141,503	47,918,632,623
Interest Income	(97,082,918,820)	(75,600,495,137)
Dividend Income	(7,281,775,348)	(1,516,098,635)
Depreciation and Amortisation	207,100,504	193,714,873
Bad debts /Advances written off	168,662,106	946,862,635
Provision for Diminution in value of Long Term Investment	51,000,000	-
Marked to Market loss on Current Investment	60,842,980	-
Loss on sale of Fixed Assets	643,736	755,172
Unrealised gain on Mutual Fund Investments (Current Investments) (Net)	(2,550,915,408)	(1,720,634,586)
Operating Profit before working capital changes	(576,683,351)	4,349,209,936
Adjustments for:		
Trade and Other Receivables	(3,378,903,635)	298,401,757
Loans and Advances	(202,090,305,089)	(157,021,058,821)
Trade Payables and other liabilities <small>(Refer Note 2 below)</small>	8,689,736,914	3,941,112,325
Cash (used in) operations	(197,356,155,161)	(148,432,334,803)
Interest received	96,299,831,334	73,793,655,855
Interest paid	(53,631,874,742)	(42,884,367,829)
Dividend Received	7,281,775,348	1,516,098,635
Income taxes paid (Net)	(8,378,052,640)	(7,834,589,491)
Net cash (used in) operating activities	(155,784,475,861)	(123,841,537,633)
<b>B Cash flows from investing activities</b>		
Purchase of Fixed Assets	(396,751,582)	(332,322,170)
Sale of Fixed Assets	3,217,081	1,312,243
Movement in Capital Advances	(766,804,559)	1,115,757,780
(Investment in) / Proceeds from deposit accounts	(846,836,110)	449,365,272
Investments in Subsidiaries / Long term Investments	(596,588,749)	(7,075,716,642)
Proceeds from sale of Subsidiary <small>(Refer Note 15(2))</small>	12,250,000	-
Investments in Mutual Funds / Other Investments (Net)	(26,461,485,117)	(43,841,055,800)
Net cash (used in) investing activities	(29,052,999,036)	(49,682,659,317)
<b>C Cash flows from financing activities</b>		
Proceeds from Issue of Equity Share through ESOPs (Including Securities Premium)	791,776,744	715,212,482
Application Money received against Share warrants / ESOPs	4,051,375	-
Proceeds from Conversion of Share Warrants (Including Securities Premium)	-	1,494,832,500
Proceeds from Qualified Institutional Placement(Including Securities Premium)(Net)	-	39,291,719,457
Distribution of Equity Dividends (including Corporate Dividend Tax thereon)	(13,771,837,548)	(21,423,492,594)

# CASH FLOW STATEMENT

OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
Debtenture issue expenses	(1,794,392,266)	(311,094,068)
Repayment from / (Loan to) Subsidiary Companies	1,044,700,000	(584,700,000)
Proceeds from Term loans (Net)	46,177,920,017	49,616,035,046
Proceeds from Commercial Papers (Net)	55,140,000,000	20,040,000,000
Net proceeds from Issue of Secured Redeemable Non-Convertible Debentures	144,802,587,833	67,133,832,580
Proceeds from issue of Unsecured Non Convertible Debentures	1,988,616,000	-
Net proceeds from issue of Subordinated Debt	6,097,000,000	1,731,500,000
(Repayment of) / Net Proceeds from Working capital loans	(30,184,183,226)	3,100,000,000
Net cash flows from financing activities	210,296,238,929	160,803,845,403
<b>D Net Increase / (Decrease) in cash and cash equivalents (A+B+C)</b>	25,458,764,032	(12,720,351,547)
<b>E Cash and cash equivalents at the beginning of the year</b>	49,185,685,413	61,906,036,960
<b>F Cash and cash equivalents at the end of the year (D + E) (Refer Note 5 below)</b>	74,644,449,445	49,185,685,413

## Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS) - 3 on 'Cash Flow Statements'.
- Trade payables and other liabilities include ₹ 7,201,244,773 (Previous Year ₹ 2,214,983,305) being amount payable (net) on assigned loans. (Refer Note 12)
- Margin Deposits of ₹ 6,146,230,575 (Previous Year ₹ 5,494,095,137) have been placed as collateral for Assignment deals on which assignees have a paramount lien. (Refer Note 17 & 20)
- Deposits of ₹ 1,016,338,142 (Previous Year ₹ 821,637,470) are under lien with Bank. (Refer Note 20)
- Cash and cash equivalents at the end of the year include:

Cash and cash equivalents (Refer Note 20)	54,441,188,490	27,119,252,801
Other Current Investments considered as temporary deployment of funds (Refer Note 18)	25,496,295,672	25,809,914,422
	79,937,484,162	52,929,167,223
Less: In deposit accounts held as margin money and deposits under lien	5,293,034,717	3,743,481,810
Cash and cash equivalents as restated	74,644,449,445	49,185,685,413
- Unclaimed Dividend account balances in designated bank accounts are not available for use by the Company. (Refer Note 20)
- Previous Year's figures are regrouped wherever considered necessary to conform with Current Year's groupings and classification.

In terms of our report attached  
For Deloitte Haskins & Sells LLP  
Chartered Accountants

A. Siddharth  
Partner

Mumbai, April 24, 2017

For and on behalf of the Board of Directors

Sameer Gehlaut  
Chairman /  
Whole Time Director  
DIN : 00060783

Mukesh Garg  
CFO

New Delhi, April 24, 2017

Gagan Banga  
Vice-Chairman,  
Managing Director & CEO  
DIN : 00010894

Amit Jain  
Company Secretary

Ashwini Omprakash Kumar  
Whole Time Director  
DIN : 03341114

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017

#### (1) SIGNIFICANT ACCOUNTING POLICIES

##### (i) Basis of Accounting:

The financial statements are prepared under the historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and Accounting Standards (AS) under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act") as applicable. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year, except for change in the accounting policy for recording of marked to market profit on derivative contracts as more fully described in Note 1(xviii).

##### (ii) Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

##### (iii) Prudential Norms:

The Company follows The Housing Finance Companies (NHB) Directions, 2010 ("NHB Directions, 2010") as amended from time to time, in respect of income recognition, income from investments, accounting of investments, asset classification, disclosures in the Balance Sheet and provisioning. Accounting Standards (AS) under Section 133 of the Companies Act, 2013 and Guidance Notes issued by The Institute of Chartered Accountants of India ("ICAI") are followed insofar as they are not inconsistent with the NHB Directions, 2010.

##### (iv) Revenue Recognition:

Interest Income from financing and investing activities and others is recognised on an accrual basis. In terms of the NHB Directions, 2010, interest income on Non-performing assets ('NPAs') is recognised only when it is actually realised.

Processing Fees in respect of loans given is recognised on log in / disbursement as per the terms of the contract.

Income from Fee Income from Services is recognised on an accrual basis.

Commission on insurance policies sold is recognised when the Company under its agency code sells the insurance policies and when the same is accepted by the principal insurance company.

Additional interest/overdue charges is recognised on realisation basis.

Repayment of loans is as stipulated in the respective loan agreements or by way of Equated Monthly Installments (EMI's) comprising principal and interest. EMIs commence generally once the entire loan is disbursed however on request of customer it commences even before the entire loan is disbursed. In case of pending commencement of EMIs, Pre-EMI interest is payable every month and accounted for on accrual basis.

Dividend income on Equity Shares is recognised when the right to receive the dividend is unconditional as at the Balance Sheet date. In terms of the Housing Finance Companies (NHB) Directions 2010, Dividend Income on units of Mutual Fund(s) held by the Company are recognised on cash basis as per the NHB Directions, 2010.

The net gain/loss on account of Investments in Debentures/Bonds/Certificate of Deposit/ Commercial papers and Government Securities is recognised on trade date basis. Interest Income is recognised on accrual basis.

##### (v) Securitisation / Assignment of Loan portfolio:

Derecognition of loans assigned/securitised in the books of the Company, recognition of gain / loss arising on securitisation /assignment and accounting for credit enhancements provided by the Company is based on the guidelines issued by The Institute of Chartered Accountants of India.

Derecognition of loans assigned / securitised in the books of the Company is based on the principle of surrender of control over the loans resulting in a "true sale" of loans.

Residual income on Assignment / Securitisation of Loans is recognised over the life of the underlying loans and not on an upfront basis.

Credit enhancement in the form of cash collateral, if provided by the Company, by way of deposits and pass through certificates included

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

under Cash and cash equivalents / Non-current Assets / Investments, as applicable.

**(vi) Fixed Assets:**

(a) Tangible Assets: Property, Plant and Equipment:

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

(b) Intangible Assets:

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

**(vii) Depreciation and Amortisation:**

Depreciation on tangible fixed assets is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except for Vehicles:

Vehicles are amortised on a straight line basis over a period of five years from the date when the assets are available for use. The life has been assessed based on past usage experience and considering the change in technology.

Some of the Office equipments(mobile phones) are amortised on a straight line basis over a period of two years from the date when the assets are available for use. The life has been assessed based on past usage experience and considering the change in technology.

Depreciation on additions to fixed assets is provided on a pro-rata basis from the date the asset is put to use. Leasehold improvements are amortised over the period of Lease. Depreciation on sale / deduction from fixed assets is provided for up to the date of sale / deduction, as the case may be.

Assets costing less than ₹ 5,000 each are fully depreciated in the year of capitalisation.

Intangible assets consisting of Software are amortised on a straight line basis over a period of four years from the date when the assets are available for use.

**(viii) Impairment of Assets:**

The Company assesses at each Balance Sheet date whether there is any indication that an asset

may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**(ix) Taxes on Income:**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961, Income Computation and Disclosure Standards and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which during the specified period gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on all timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws substantively enacted as at the Balance Sheet date, to the extent that the timing differences are expected to crystallise / capable of reversal in one or more subsequent periods.

Deferred Tax Assets are recognised where realisation is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognised only if there is virtual certainty of realisation backed by convincing evidence that there will be sufficient future taxable income available to realise such assets. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

Current and deferred tax relating to items directly recognised in reserves are recognised in

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

reserves and not in the Statement of Profit and Loss.

**(x) Share/Debenture Issue Expenses and Premium/Discount on Issue:**

Share / Debenture issue expenses, net of tax, are adjusted against the Securities Premium Account, as permissible under Section 52(2) of the Companies Act, 2013, to the extent of balance available and thereafter, the balance portion is charged to the Statement of Profit and Loss, as incurred.

Premium / Discount on Issue of debentures, net of tax, are adjusted against the Securities Premium Account, as permissible under 52(2) of the Companies Act, 2013, to the extent of balance available and thereafter, the balance portion is charged to the Statement of Profit and Loss, as incurred.

**(xi) Investments:**

Investments are classified as long term and current investments. Long term investments are carried individually at cost less provision, if any, for diminution other than temporary in the value of such investments. In terms of NHB Directions, 2010, quoted Current investments are valued at lower of cost or market value. Unquoted current investments in units of Mutual Funds are valued as per Net Asset Value of the Plan. Provision for diminution in value of investments is made in accordance with the NHB Directions, 2010 and Accounting Standard (AS) - 13 'Accounting for Investments'.

**(xii) Employee benefits:**

The Company's contribution to Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The Company has unfunded defined benefit plans as Compensated Absences and Gratuity for all eligible employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using the 'Projected Unit Credit Method'. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised in the Statement of Profit and Loss as income or expenses, as applicable. Superannuation (Pension & Medical coverage) payable to a Director on retirement is actuarially valued at the end of the year using the Projected Unit Credit Method. Actuarial gains and losses

comprise experience adjustments and the effects of change in actuarial assumptions and are recognised in the Statement of Profit and Loss as income or expenses as applicable.

**(xiii) Commercial Papers:**

The liability is recognised at the face value of the Commercial Paper at the time of its issue. The discount on issue of Commercial Papers is amortised over the tenure of the instrument.

**(xiv) Borrowing Costs:**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost of the asset. Ancillary costs in connection with long-term external commercial borrowings are amortised to the Statement of Profit and Loss over the tenure of the loan. All other borrowing costs are charged to the Statement of Profit and Loss.

**(xv) Deferred Employee Stock Compensation Cost:**

Deferred employee stock compensation cost for stock options are recognised on the basis of generally accepted accounting principles and are measured by the difference between the intrinsic value of the Company's shares of stock options at the grant date and the exercise price to be paid by the option holders. The compensation expense is amortised over the vesting period of the options. The fair value of options for disclosure purpose is measured on the basis of a valuation certified by an independent firm of Chartered Accountants in respect of stock options granted.

**(xvi) Leases:**

In case of assets taken on operating lease, the lease rentals are charged to the Statement of Profit and Loss on a straight line basis in accordance with Accounting Standard (AS) 19 – Leases.

**(xvii) Segment reporting:**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Management in deciding how to allocate resources and in assessing performance. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not



# NOTES

## FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities.

### (xviii) Derivative financial instruments and hedging activities:

The Company’s activities expose it to the financial risks of changes in foreign exchange rates and interest rates. The Company uses derivative contracts such as foreign exchange forward, cross currency contracts, interest rate swaps, foreign currency futures, options and swaps to hedge its exposure to movements in foreign exchange rates and interest rates. The use of these foreign exchange and forward contracts reduce the risk or cost to the Company and the Company does not use those for trading or speculation purposes.

The Company uses hedging instruments that are governed by the policies of the Company which are approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company.

Effective April 1, 2016, the Company has followed Guidance Note on Accounting for Derivative Contracts for accounting of derivative instrument, to the extent that the adoption did not conflict with existing accounting standards and other authoritative pronouncements of the Company Law and other regulatory requirements.

Derivative financial instruments are initially measured at fair value on the contract date and are subsequently re-measured to fair value at each reporting date. Derivatives are classified as assets when the fair value is positive (positive marked to market value) or as liabilities when the fair value is negative (negative marked to market value). Derivative assets and liabilities are recognised on the balance sheet at fair value. Changes in the fair value of derivatives other than those designated as hedges are recognised in the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, no longer qualifies for hedge accounting or the Company chooses to end the hedging relationship.

Effective January 1, 2017, the company has designated certain Interest Rate Swaps (IRS) as hedging instrument. Interest rate swaps are held to manage the interest rate exposures and are designated as fair value or cash flow hedges, as applicable. The Accounting for such designated

contracts is as follows:

#### Fair value hedges

The Company uses IRS instruments to convert a proportion of its fixed rate debt to floating rates in order to hedge the interest rate risk arising, principally, from issue of non-convertible debentures. Company designates these as fair value hedges of interest rate risk. Changes in the fair values of derivatives designated as fair value hedges and changes in fair value of the related hedged item are recognised directly in Statement of Profit and Loss thus ineffective portion being recognised in the Statement of Profit and Loss.

#### Cash Flow hedges

The Company uses Interest Rate Swaps (IRS) Contracts (Floating to Fixed) to hedge its risks associated with interest rate fluctuations relating interest rate risk arising from foreign currency loans / external commercial borrowings. The Company designates such IRS contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in “Guidance Note on Accounting for Derivative Contracts “ issued by the ICAI. These IRS contracts are stated at fair value at each reporting date. Changes in the fair value of these IRS contracts that are designated and effective as hedges of future cash flows are recognised directly in “Cash Flow Hedge Reserve” under Reserves and surplus and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

### (xix) Foreign Currency Transactions and Translations:

- i. Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.
- ii. Monetary items denominated in foreign currencies at the year end are translated at year end rates. In case of Forward Foreign Exchange Contract (FEC) and Cross Currency Swaps (CCS), the difference between the year-end rate and the rate on the date of the contract is recognised as exchange difference and the premium on such forward contracts is recognised over the life of the forward contract. Any profit/loss arising on cancellation or renewal of forward contract is recognised as income or expense for the period in which such cancellation or renewal is made.

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

- iii. Non monetary foreign currency items are carried at cost.
- iv. Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.
- v. The exchange differences arising on settlement / restatement of long-term monetary items which do not relate to acquisition of depreciable fixed assets are amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss. The unamortised exchange differences are carried in the Balance Sheet as "Foreign Currency Monetary Item Translation Difference Account" net of the tax effect thereon, where applicable.

#### (xx) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. Contingent liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made. Contingent Assets are not recognised in the financial statements.

#### (2) CORPORATE INFORMATION:

The Company is engaged in the business to provide finance and to undertake all lending and finance to any person or persons, co-operative society, association of persons, body of individuals, companies, institutions, firms, builders, developers, contractors, tenants and others either at interest or without and/or with or without any security for construction, erection, building,

repair, remodeling, development, improvement, purchase of houses, apartments, flats, bungalows, rooms, huts, townships and/or other buildings and real estate of all descriptions or convenience there on and to equip the same or part thereof with all or any amenities or conveniences, drainage facility, electric, telephonic, television, and other installations, either in total or part thereof and /or to purchase any free hold or lease hold lands, estate or interest in any property and such other activities as may be permitted under the Main Objects of the Memorandum of Association of the Company.

The Board of Directors of Indiabulls Housing Finance Limited (100% subsidiary of "IBFSL") and Indiabulls Financial Services Limited ("IBFSL", "Erstwhile Holding Company") at their meeting held on April 27, 2012 had approved the Scheme of Arrangement involving the reverse merger of IBFSL with the Company in terms of the provisions of Sections 391 to 394 of the Companies Act, 1956 (the "Scheme of Arrangement"). The Appointed Date of the proposed merger fixed under the Scheme of Arrangement was April 1, 2012. The Hon'ble High Court of Delhi, vide its Order dated December 12, 2012, received by the Company on February 8, 2013, approved the Scheme of Arrangement. In terms of the Court approved Scheme of Arrangement, with the filing of the copy of the Order, on March 8, 2013, with the office of ROC, NCT of Delhi & Haryana (the Effective Date), IBFSL, as a going concern, stands amalgamated with IBHFL with effect from the Appointed Date, being April 1, 2012.

Indiabulls Financial Services Limited ("IBFSL") was incorporated on January 10, 2000 as a Private Limited Company. On March 30, 2001, the Company was registered under Section 45-IA of the Reserve Bank of India (RBI) Act, 1934 to carry on the business of a Non-Banking Financial Company. The Company was converted into a public limited Company pursuant to Section 44 of the Companies Act, 1956 on February 03, 2004.

Indiabulls Housing Finance Limited ("the Company") ("IBHFL") was incorporated on May 10, 2005. On December 28, 2005 the Company was registered under Section 29A of the National Housing Bank Act, 1987 to commence / carry on the business of a Housing Finance Institution without accepting public deposits. The Company is required to comply with provisions of the National Housing Bank Act, 1987, the Housing Finance Companies (NHB) Directions, 2010 and other guidelines / instructions / circulars issued by the National Housing Bank from time to time.

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### 3. SHARE CAPITAL

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>Authorised:</b>		
3,000,000,000 (Previous Year 3,000,000,000) Equity Shares of face value ₹ 2 each	6,000,000,000	6,000,000,000
1,000,000,000 (Previous Year 1,000,000,000) Preference Shares of face value ₹ 10 each	10,000,000,000	10,000,000,000
<b>Issued, subscribed and fully paid up (I to VII)</b>		
423,856,040 (Previous Year 421,291,962) Equity Shares of face value ₹ 2 each	847,712,080	842,583,924
<p>The Company has only one class of Equity Shares of face value ₹ 2 each (Previous Year ₹ 2 each) fully paid up. Each holder of Equity Shares is entitled to one vote per share. The final dividend proposed by the Board of Directors, if any, is subject to the approval of the Shareholders in the ensuing Annual General Meeting, if applicable.</p> <p>In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.</p>		
	<b>847,712,080</b>	<b>842,583,924</b>

- (I) Indiabulls Financial Services Limited (“Erstwhile Holding Company”) had issued Global Depository Receipts (GDR’s) which were transferred under the Scheme of Arrangement in financial year 2012-13. As at March 31, 2017 3,199,409 (Previous Year 3,019,521) GDR’s were outstanding and were eligible for conversion into Equity Shares. The Company does not have information with respect to holders of these GDR’s. Holders of Global Depository Receipts (GDRs) will be entitled to receive dividends, subject to the terms of the Deposit Agreement, to the same extent as the holders of Equity Shares, less the fees and expenses payable under such Deposit Agreement and any Indian tax applicable to such dividends. Holders of GDRs will not have voting rights with respect to the Deposited Shares. The GDRs may not be transferred to any person located in India including Indian residents or ineligible investors except as permitted by Indian laws and regulations.
- (II) 312,511,167 (Previous Year 312,511,167) equity Shares were allotted by the Company, for consideration other than cash to the shareholders of Erstwhile Holding Company pursuant to and in terms of the Scheme of Arrangement, approved by the Hon’ble High Court of Delhi vide its Order dated December 12, 2012, which came into effect on March 8, 2013 from the Appointed Date April 1, 2012. <sup>(Refer Note 39)</sup>
- (III) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the financial year:-

Particulars	As at March 31, 2017		As at March 31, 2016	
	Equity Shares		Equity Shares	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)
Opening Balance	421,291,962	842,583,924	355,564,466	711,128,932
Add: Equity Shares of ₹ 2 each issued during the year*	2,564,078	5,128,156	65,727,496	131,454,992
Closing Balance	<b>423,856,040</b>	<b>847,712,080</b>	<b>421,291,962</b>	<b>842,583,924</b>

\* Includes 2,564,078 (Previous Year 2,149,424) Equity Shares of ₹ 2 each issued during the year, under various ESOP Schemes aggregating to ₹ 5,128,156 (Previous Year ₹ 4,298,848), Nil (Previous Year 6,643,700) Equity Shares of ₹ 2 each issued during the year to eligible warrant holders <sup>(Refer Note 5(i))</sup> against outstanding Share warrants aggregating to ₹ Nil (Previous Year ₹ 13,287,400) and Nil Equity Shares ₹ 2 each issued during the year (Previous Year ₹ 56,934,372) under Qualified Institutions Placement <sup>(Refer Note 5(ii))</sup> aggregating to ₹ Nil (Previous Year ₹ 113,868,744).

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

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

<b>Promoter</b>	<b>As at March 31, 2017</b>	
	<b>No. of Shares held</b>	<b>% of Holding</b>
SG Advisory Services Private Limited	35,404,779	8.35%
<b>Non - Promoters</b>		
Europacific Growth Fund	26,207,577	6.18%
<b>As at March 31, 2016</b>		
<b>Promoter</b>	<b>No. of Shares held</b>	<b>% of Holding</b>
Mr. Sameer Gehlaut	37,601,278	8.93%
<b>Non - Promoters</b>		
Copthall Mauritius Investment Limited	22,101,194	5.25%
Europacific Growth Fund	26,207,577	6.22%

(V) **Employees Stock Options Schemes:**

- (a) Indiabulls Financial Services Limited (“Erstwhile Holding Company”) <sup>(Refer Note 39)</sup> and its erstwhile subsidiary, Indiabulls Credit Services Limited (“ICSL”) had announced ESOS / ESOP schemes for its employees and the employees of its group companies wherein each option represents one Equity Share of the Company. The Company has adopted the ESOS / ESOP schemes in respect of its employees. A Compensation Committee constituted by the Board of Directors administers each of the plans.

Stock option schemes of the erstwhile Holding Company including schemes in lieu of stock options schemes of erstwhile fellow subsidiary Indiabulls Credit Services Limited transferred under the Court approved Scheme of Arrangement <sup>(Refer Note 39)</sup> :

<b>S. No.</b>	<b>ERSTWHILE PLANS</b>	<b>NEW PLANS*</b>
1	IBFSL – ICSL Employees Stock Option Plan – 2006	IBHFL- IBFSL Employees Stock Option Plan – 2006
2	IBFSL – ICSL Employees Stock Option Plan II – 2006	IBHFL - IBFSL Employees Stock Option Plan II – 2006
3	IBFSL – Employees Stock Option – 2008	IBHFL - IBFSL Employees Stock Option – 2008

\* The name of the schemes have been revised by the approval of the Shareholders of the Company in the 8th Annual General Meeting held on July 1, 2013.

- (b) Indiabulls Housing Finance Limited Employees Stock Option Scheme-2013

The members of the Company at their Meeting dated March 6, 2013 approved the IBHFL ESOS - 2013 scheme consisting of 39,000,000 stock options representing 39,000,000 fully paid up Equity Shares of ₹ 2 each of the Company to be issued in one or more tranches to eligible employees of the Company or to eligible employees of the subsidiaries / step down subsidiaries of the Company. The Compensation Committee constituted by the Board of Directors of the Company has, at its meeting held on October 11, 2014, granted, 10,500,000 Stock Options representing an equal number of equity shares of face value of ₹ 2 each at an exercise price of ₹ 394.75, being the then latest available closing market price on the National Stock Exchange of India Ltd. as on October 10, 2014 following the intrinsic method of accounting as is prescribed in the Guidance Note issued by the Institute of Chartered Accountants of India on Accounting for Employees Share Based Payments (“the Guidelines”). As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. These options vest with effect from the first vesting date i.e. October 11, 2015, whereby the options vest on each vesting date as per the vesting schedule provided in the Scheme.

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(c) The other disclosures in respect of the ESOS / ESOP Schemes are as under:-

Particulars	IBHFL-IBFSL Employees Stock Option Plan – 2006	IBHFL-IBFSL Employees Stock Option Plan II – 2006	IBHFL-IBFSL Employees Stock Option – 2008	IBHFL ESOS - 2013
Total Options under the Scheme	1,440,000	720,000	7,500,000	39,000,000
Options issued	1,440,000	720,000	7,500,000	10,500,000
Vesting Period and Percentage	Four years, 25% each year	Four years, 25% each year	Ten years, 15% First year, 10% for next eight years and 5% in last year	Five years, 20% each year
Vesting Date	1st April	1st November	8th December	12th October
Revised Vesting Period & Percentage	Eight years, 12% each year for 7 years and 16% during the 8th year	Nine years, 11% each year for 8 years and 12% during the 9th year	N.A.	N.A.
Exercise Price (₹)	41.67	100.00	95.95	394.75
Exercisable Period	4 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year (Nos.)	58,536	46,422	1,228,919	8,686,025
Regrant Addition	N.A.	N.A.	N.A.	N.A.
Regrant Date	N.A.	N.A.	N.A.	N.A.
Options vested during the year (Nos.)	55,656	24,168	412,335	2,062,000
Exercised during the year (Nos.)	55,656	29,682	493,666	1,830,144
Expired during the year (Nos.)	-	-	-	-
Cancelled during the year	-	-	-	-
Lapsed during the year	2,880	396	11,075	160,800
Re-granted during the year	-	-	-	-
Outstanding at the end of the year (Nos.)	-	16,344	724,178	6,695,081
Exercisable at the end of the year (Nos.)	-	16,344	105,672	597,881
Remaining contractual Life (Weighted Months)	NA	49	70	76

N.A. - Not Applicable

Particulars	IBHFL-IBFSL Employees Stock Option – 2008 -Regrant	IBHFL-IBFSL Employees Stock Option – 2008-Regrant	IBHFL-IBFSL Employees Stock Option Plan – 2006 - Regrant	IBHFL-IBFSL Employees Stock Option – 2008 -Regrant	IBHFL-IBFSL Employees Stock Option Plan II – 2006 -Regrant
Total Options under the Scheme	N.A.	N.A.	N.A.	N.A.	N.A.
Options issued	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Period and Percentage	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Date	31st December	16th July	27th August	11th January	27th August
Revised Vesting Period & Percentage	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year



## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

Particulars	IBHFL-IBFSL Employees Stock Option - 2008 -Regrant	IBHFL-IBFSL Employees Stock Option - 2008-Regrant	IBHFL-IBFSL Employees Stock Option Plan - 2006 - Regrant	IBHFL-IBFSL Employees Stock Option - 2008 -Regrant	IBHFL-IBFSL Employees Stock Option Plan II - 2006 -Regrant
Exercise Price (₹)	125.90	158.50	95.95	153.65	100.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	33,840	97,810	237,000	7,500	131,400
Regrant Addition	N.A.	N.A.	N.A.	N.A.	N.A.
Regrant Date	December 31, 2009	July 16, 2010	August 27, 2009	January 11, 2011	August 27, 2009
Options vested during the year (Nos.)	6,390	19,440	39,500	1,500	21,900
Exercised during the year (Nos.)	11,430	19,200	79,000	1,500	43,800
Expired during the year (Nos.)	-	-	-	-	-
Cancelled during the year	-	-	-	-	-
Lapsed during the year	2,700	-	-	-	-
Re-granted during the year	N.A.	N.A.	N.A.	N.A.	N.A.
Outstanding at the end of the year (Nos.)	19,710	78,610	158,000	6,000	87,600
Exercisable at the end of the year (Nos.)	540	850	39,500	-	21,900
Remaining contractual Life (Weighted Months)	80	81	71	87	71

N.A. - Not Applicable

The Fair value of the options as determined by an Independent firm of Chartered Accountants, which has been regranted by the Erstwhile Holding Company under the respective plans using the Black-Scholes Merton Option Pricing Model based on the following parameters are as under:-

Particulars	IBHFL - IBFSL Employees Stock Option - 2008 Regrant	IBHFL - IBFSL Employees Stock Option - 2008 Regrant	IBHFL - IBFSL Employees Stock Option - 2006- Regrant	IBHFL - IBFSL Employees Stock Option Plan II - 2006- Regrant	IBHFL - IBFSL Employees Stock Option - 2008 Regrant	IBHFL - IBFSL Employees Stock Option - 2008	IBHFL ESOS - 2013
Exercise price (₹)	125.90	158.50	95.95	100.00	153.65	95.95	394.75
Expected volatility*	99.61%	99.60%	75.57%	75.57%	99.60%	97.00%	46.30%
Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Option Life (Weighted Average)	9.80 Years	9.80 Years	9.80 Years	9.80 Years	9.80 Years	11 Years	5 Years
Expected Dividends yield	3.19%	2.89%	4.69%	4.50%	2.98%	4.62%	10.00%
Weighted Average Fair Value (₹)	83.48	90.24	106.3	108.06	84.93	52.02	89.76
Risk Free Interest rate	7.59%	7.63%	7.50%	7.50%	7.63%	6.50%	8.57%

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

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### Fair Value Methodology:

As all the other plans were issued based on the fair value of the options on the date of the grant, there is no impact of the same on the net profit and earnings per share. The IBHFL - IBFSL Employees Stock Option Plan – 2008 (including re-grant) and IBHFL ESOS - 2013, were issued at the Intrinsic value of the options on the date of the grant. Had the compensation cost for the stock options granted under 2006 (Regrant) IBHFL - IBFSL Employees Stock Option Plan – 2008 (including re-grant) and IBHFL ESOS - 2013, been determined based on the fair value approach, the Company's net profit and earnings per share would have been as per the pro forma amounts indicated below:-

Particulars	Year ended March 31, 2017 Amount (₹)	Year ended March 31, 2016 Amount (₹)
Net Profit available to Equity Share holders (as reported)	28,423,826,980	22,941,238,561
Less : Stock-based compensation expense determined under fair value based method: [Gross ₹ 1,278,131,945 (Previous Year ₹ 1,291,706,139)] (Pro forma)	201,218,840	352,363,368
Net Profit available to Equity Share holders (as per Pro forma)	28,222,608,140	22,588,070,599
Basic earnings per share (as reported)	67.28	58.55
Basic earnings per share (Pro forma)	66.81	57.65
Diluted earnings per share (as reported)	66.48	57.48
Diluted earnings per share (Pro forma)	66.01	56.60

- (VI) During the year ended March 31, 2013, pursuant to the Scheme of Arrangement the Authorised Capital of the Company has been rearranged to ₹ 16,000,000,000 divided into 3,000,000,000 Equity Shares of ₹ 2 each and 1,000,000,000 Preference Shares of ₹ 10 each.
- (VII) 7,785,523 Equity Shares of ₹ 2 each (Previous year 10,527,452) are reserved for issuance towards Employees Stock options as granted.

#### (4) RESERVES AND SURPLUS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>Capital Reserve:</b>		
Opening Balance	137,500,000	137,500,000
Add: Transferred during the year	-	-
Closing Balance	137,500,000	137,500,000
<b>Capital Redemption Reserve:</b>		
Opening Balance	3,627,392	3,627,392
Add: Transferred during the year	-	-
Closing Balance	3,627,392	3,627,392
<b>Securities Premium Account:</b>		
Opening Balance	73,493,808,585	34,366,739,226
Add: Additions during the year on account of shares issued under ESOPs	786,648,588	710,913,634
Add: Additions during the year on account of shares issued against Share Warrants	-	1,481,545,100
Add: Transfer from Stock Compensation Adjustment Account	12,280,670	-
Add: Additions during the year on account of shares issued under Qualified Institutional Placement	-	39,854,060,400
	74,292,737,843	76,413,258,360
Less: QIP issue Expenses (Refer Note 5(ii))	-	676,209,687
Less: Debenture issue expenses (Net of tax effect of ₹ 426,797,533 (Previous Year ₹ 80,074,699) (Refer Note 5(iii) & 5(iv))	1,367,594,733	231,019,369
Less: Premium on Redemption of Non Convertible Debentures (Net of tax effect of ₹ 390,074,254 (Previous Year ₹ 697,465,192))	1,249,921,695	2,012,220,719
Closing Balance	71,675,221,415	73,493,808,585

## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>Stock Compensation Adjustment:</b> (Refer Note 39)		
Employee Stock Options outstanding	61,403,350	61,403,350
Less: Deferred Employee Stock Compensation expense	2,720,726	5,142,647
Less: Transferred to Securities Premium Account	36,842,010	24,561,340
Closing Balance	21,840,614	31,699,363
<b>General Reserve:</b>		
Opening Balance	3,929,889,800	3,929,889,800
Add: Amount transferred during the year from Surplus in Statement of Profit and Loss	1,330,000,000	-
Closing Balance	5,259,889,800	3,929,889,800
<b>Foreign Currency Monetary Item Translation Difference Account:</b> <sup>(1)</sup>		
Opening Balance	(712,390,036)	(84,395,733)
Add: Transferred during the Year	4,310,481	(811,188,881)
Less: Adjusted during the Year	706,988,283	183,194,578
Closing Balance	(1,091,272)	(712,390,036)
<b>Other Reserves:</b>		
<b>Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961</b> <sup>(6)</sup> :		
Opening Balance	890,000,000	890,000,000
Add: Transferred during the year	-	-
Closing Balance	890,000,000	890,000,000
<b>Statutory Reserve:</b>		
<b>Reserve (I)(As per Section 29C of the Housing Bank Act, 1987)</b> <sup>(2) &amp; (3)</sup>		
Opening Balance	7,024,321,668	5,056,073,955
Add : Amount transferred during the year from Surplus in Statement of Profit and Loss	2,334,765,396	1,968,247,713
Closing Balance	9,359,087,064	7,024,321,668
<b>Reserve (II)</b> <sup>(4)</sup>		
Opening Balance	5,054,795,194	5,054,795,194
Add: Transferred during the year	-	-
Closing Balance	5,054,795,194	5,054,795,194
<b>Reserve (III)</b> <sup>(2) &amp; (3)</sup>		
Opening Balance	7,960,000,000	5,340,000,000
Add: Transferred during the year	3,350,000,000	2,620,000,000
Closing Balance	11,310,000,000	7,960,000,000
<b>Additional Reserve Fund (U/s 29C of the National Housing Bank Act, 1987):</b> <sup>(2)</sup>		
Opening Balance	5,249,352,909	5,249,352,909
Add: Amount transferred during the year from Surplus in Statement of Profit and Loss	2,500,000,000	-
Closing Balance	7,749,352,909	5,249,352,909

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>Debenture Redemption Reserve</b> <sup>(Refer Note 5(iii))</sup>		
Opening Balance	-	-
Add: Amount transferred during the year from Surplus in Statement of Profit and Loss	1,702,087,881	-
Closing Balance	1,702,087,881	-
<b>Cash Flow Hedge Reserve</b>		
Balance As per last Balance Sheet	-	-
Add: Additions during the year	(42,817,255)	-
Closing Balance	(42,817,255)	-
<b>Surplus in Statement of Profit and Loss:</b>		
Opening Balance	1,133,086,433	4,239,111,217
Add: Transitional Adjustment on account of Interest Rate Swaps <sup>(5)</sup>	121,991,338	-
Profit for the year	28,423,826,980	22,941,238,561
<b>Amount available for appropriation (A)</b>	29,678,904,751	27,180,349,778
<b>Appropriations:</b>		
Interim Dividend paid on Equity Shares (₹ 27.00 Per Share (Previous Year ₹ 45.00 Per Share))	11,421,235,467	17,829,374,499
Corporate Dividend Tax on Interim Dividend paid on Equity Shares	2,318,905,265	3,629,641,133
Transferred to Reserve III (Reserve U/s 36(1)(viii), Considered as eligible transfer to Special Reserve U/s 29C of the National Housing Bank Act, 1987) <sup>(3)</sup>	3,350,000,000	2,620,000,000
Transferred to Reserve I (Special Reserve U/s 29C of the National Housing Bank Act, 1987) <sup>(2)</sup>	2,334,765,396	1,968,247,713
Transferred to Additional Reserve (U/s 29C of the National Housing Bank Act, 1987) <sup>(3)</sup>	2,500,000,000	-
Transferred to General Reserve	1,330,000,000	-
Transferred to Debenture Redemption Reserve <sup>(Refer Note 5(iii))</sup>	1,702,087,881	-
<b>Total Appropriations (B)</b>	24,956,994,009	26,047,263,345
<b>Balance of Profit Carried Forward (A)-(B)</b>	4,721,910,742	1,133,086,433
	117,841,404,484	104,195,691,308

- (1) Pursuant to the notification dated December 29, 2011 issued by the Ministry of Corporate Affairs amending Accounting Standard 11 - The Effects of Changes in Foreign Exchange Rates, the Company has exercised the option as per para 46A inserted in the said Standard for all long term monetary assets and liabilities. Consequently an amount of ₹ 1,091,272 (Previous Year ₹ 712,390,036) representing translation difference on foreign currency loans is carried forward in the Foreign Currency Monetary Item Translation Difference Account as on March 31, 2017.
- (2) In terms of Section 29C of the National Housing Bank ("NHB") Act, 1987, the Company is required to transfer at least 20% of its Profit after tax to a Reserve Fund before any dividend is declared. Transfer to a Reserve Fund in terms of Section 36(1)(viii) of the Income Tax Act, 1961 is also considered as an eligible transfer as transfer to Special Reserve under Section 29C of the National Housing Bank ("NHB") Act, 1987. The Company has transferred an amount of ₹ 3,350,000,000 (Previous Year ₹ 2,620,000,000) to reserve created in terms of Section 36(1)(viii) of the Income Tax Act, 1961 termed as "Reserve (III)" and also transferred an amount of ₹ 2,334,765,396 (Previous Year ₹ 1,968,247,713) to the Reserve in terms of Section 29C of the National Housing Bank ("NHB") Act, 1987 as at the year end. Further an additional amount of ₹ 2,500,000,000 (Previous Year ₹ Nil) has been set apart by way of transfer to Additional Reserve Fund in excess of the statutory minimum requirement as specified under Section 29C pursuant to Circular no. NHB(ND)/DRS/Pol-No. 03/2004-05 dated August 26, 2004 issued by the National Housing Bank. The additional amount so transferred may be utilised in the future for any business purpose.

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

- (3) Disclosure in terms of Circular No. NHB(ND)/ DRS/ Pol.Circular.61/ 2013-14 dated April 7, 2014 and NHB notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017:-

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Balance at the beginning of the year</b>		
a) Statutory Reserve U/s 29C of the National Housing Bank Act, 1987	7,024,321,668	5,056,073,955
b) Amount of Reserve U/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	7,960,000,000	5,340,000,000
c) Total	14,984,321,668	10,396,073,955
<b>Addition / Appropriation / Withdrawal during the year</b>		
<b>Add:</b>		
a) Amount transferred U/s 29C of the NHB Act, 1987	2,334,765,396	1,968,247,713
b) Amount of Reserve U/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	3,350,000,000	2,620,000,000
<b>Less:</b>		
a) Amount appropriated from the Statutory Reserve U/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the Reserve U/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision U/s 29C of the NHB Act, 1987	-	-
<b>Balance at the end of the year</b>		
a) Statutory Reserve U/s 29C of the National Housing Bank Act, 1987	9,359,087,064	7,024,321,668
b) Amount of Reserve U/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	11,310,000,000	7,960,000,000
c) <b>Total</b>	<b>20,669,087,064</b>	<b>14,984,321,668</b>

- (4) This pertains to reserve created under section 45-IC of the Reserve Bank of India Act 1934, by the Erstwhile Holding Company Indiabulls Financial Services Limited, which has been transferred to the Company under the Scheme of Arrangement during the year ended March 31, 2013. (Refer Note 39)
- (5) In terms of transitional provisions of Guidance note on Derivative Contracts issued by the Institute of Chartered Accountants of India, effective April 1, 2016, Cumulative impact of marked to market profit on all outstanding derivative contracts as on the effective date has been adjusted in the opening balance of Surplus in Statement of Profit and Loss.
- (6) This pertains to reserve created under section 36(1)(viii) of the Income Tax Act, 1961, by the Erstwhile Holding Company Indiabulls Financial Services Limited, which has been transferred to the Company under the Scheme of Arrangement during the year ended March 31, 2013. (Refer Note 39)
- (5) (i) During the financial year 2009-10, in terms of Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 in respect of the issue of the Secured Non Convertible Debentures of the Company to QIBs under Qualified Institutions Placement, the erstwhile Holding Company issued 27,500,000 Share Warrants being issued at a Warrant Issue Price of ₹ 5 per Share Warrant, with a right exercisable by the Warrant holder to exchange each Warrant with one equity share of the Company of face value ₹ 2 each, any time before the expiry of 60 months from the date of allotment of the Warrants, at a Warrant Exercise Price of ₹ 225 per equity share. During the financial year 2015-16 the company has issued and allotted 6,643,700 (previous Year 20,856,300) equity shares of face value of ₹ 2 each at an exercise price of ₹ 225 per equity share to the eligible warrant holders. (Refer Note 39)
- (ii) During the financial year 2015-16, the Company in terms of SEBI ICDR Regulations, has concluded Qualified Institutions Placement (QIP), by issuing 56,934,372 equity shares at a price of ₹ 702 per equity share aggregating to ₹ 39,967,929,144 on September 15, 2015. Share issue expenses amounting to ₹ 676,209,687 (incurred in respect of this issuance) has been adjusted against the Securities Premium Account. (Includes ₹ 12,840,000 paid to Auditors including service tax).
- (iii) During the current year, the Company successfully raised ₹ 13,300,000,000 by issue of secured rupee denominated masala bonds having a tenor of 3 years and 1 month. These bonds in the nature of debentures are listed on Singapore Stock Exchange (SGX-ST). Debenture issue expenses amounting to ₹ 94,710,222 (incurred in respect of this issuance) has been adjusted against the Securities Premium Account (Includes ₹ 8,620,000 paid to Auditors including service tax).



## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(iv) During the current year, the Company successfully raised ₹ 70,000,000,000 by way of public issue of secured (₹ 68,011,384,000) and unsecured (₹ 1,988,616,000) NCDs having a face value of INR 1,000 each. The said NCDs are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). Debenture issue expenses amounting to ₹ 661,118,216 (incurred in respect of this issuance) has been adjusted against the Securities Premium Account (Includes ₹ 12,930,000 paid to Statutory Auditors including service tax). Pro rata Debenture Redemption Reserve has been created on account of this issue of Non Convertible Debentures as at the year ended March 31, 2017.

#### (6) LONG-TERM BORROWINGS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>Secured</b>		
Redeemable Non Convertible Debentures <sup>(Refer Note 28 (i)**)</sup>	285,428,051,500	154,741,000,000
Term Loans <sup>(Refer Note 28(ii))*</sup>		
– from banks	199,312,764,808	170,093,353,854
– External Commercial Borrowing	25,935,440,000	13,266,580,000
– from others	-	750,000,000
<b>Unsecured</b>		
Loans and Advances from Others		
– 10.60% Non convertible Subordinated Perpetual Debentures <sup>***</sup>	1,000,000,000	1,000,000,000
– Subordinated Debt <sup>(Refer Note 28 (iii))</sup>	16,224,300,000	11,528,300,000
– Redeemable Non Convertible Debentures <sup>(Refer Note 28 (i))</sup>	1,988,616,000	-
	<b>529,889,172,308</b>	<b>351,379,233,854</b>

\* Secured by hypothecation of Loan Receivables(Current and Future) /Current Assets/Cash and Cash Equivalents of the Company.

\*\* Redeemable Non-Convertible Debentures are secured against Immovable Property / Current Assets and pool of Current and Future Loan Receivables of the Company.

\*\*\* No Put Option, Call Option exercisable at the end of 10 years from the date of allotment (exercisable only with the prior approval of the concerned regulatory authority).

#### (7) DEFERRED TAX LIABILITIES (NET)

Pursuant to Accounting Standard (AS) – 22 'Accounting for Taxes on Income', the Company debited an amount of ₹ 371,126,452 (Previous Year ₹ 788,411,255) as deferred tax charge (net) to the Statement of Profit and Loss arising on account of timing differences. The breakup of deferred tax into major components as at March 31, 2017 is as under:

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>Deferred Tax Liabilities</b>		
On Reserve Created U/s 36(1)(viii) of the Income Tax Act, 1961	3,806,917,571	2,751,880,856
On difference between accounting income and taxable income on investments	1,741,124,155	999,640,588
On account of disallowance under Income Computation and Disclosure Standard-VI	377,667	246,543,944
<b>Deferred Tax Assets</b>		
Provision for loan assets and contingent provision against standard assets	3,814,349,965	2,763,004,918
Provision for diminution of Long term investment	17,650,080	-
Marked to Market loss on Current Investment	21,056,539	-
On difference between book balance and tax balance of fixed assets/other assets	56,871,065	58,453,752
Provision for Employee Benefits	454,945,590	364,187,016
<b>Deferred Tax Liabilities (Net)</b>	<b>1,183,546,154</b>	<b>812,419,702</b>

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (8) OTHER LONG-TERM LIABILITIES

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Other Liabilities	2,236,144	2,236,144
Interest Accrued but not due on Secured Redeemable, Non Convertible Debentures	1,588,633,370	1,538,446,313
	<b>1,590,869,514</b>	<b>1,540,682,457</b>

#### (9) LONG TERM PROVISIONS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Provision for Contingencies <sup>(1) &amp; (Refer Note 37)</sup>	5,522,316,838	3,685,522,120
Provision for Gratuity <sup>(Refer Note 25)</sup>	259,582,814	180,874,598
Provision for Compensated Absences <sup>(Refer Note 25)</sup>	127,472,165	86,385,162
Provision for Superannuation <sup>(Refer Note 25)</sup>	909,137,377	766,650,863
Premium on Redemption on Secured Non Convertible Debentures (Accrued but not due)(Sinking fund)	876,206,945	2,006,573,864
	<b>7,694,716,139</b>	<b>6,726,006,607</b>

(1) Provision for Contingencies includes Contingent provision against standard assets and other contingencies. As per National Housing Bank Circular No. NHB/HFC/DIR.3/CMD/2011 dated August 5, 2011 and NHB/HFC/DIR.9/CMD/2013 dated September 6, 2013, in addition to provision for non performing assets, all housing finance companies are required to carry a general provision. (i) at the rate of 2% on housing loans disbursed at comparatively lower rate of interest in the initial few years, after which rates are reset at higher rates; (ii) at the rate of 0.75% of Standard Assets in respect of Commercial Real Estates (Residential Housing);, (iii) at the rate of 1.00% of Standard Assets in respect of other Commercial Real Estates and (iv) at the rate of 0.40% of the total outstanding amount of loans which are Standard Assets other than (i), (ii) & (iii) above. Accordingly, the Company is carrying a provision of ₹ 6,100,000,000 (Previous Year ₹ 4,150,000,000) towards standard assets (included in Provisions for Contingencies), which is over the required minimum provision as per the NHB Guidelines.

Movement in Provision for Contingencies Account during the year is as under :	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>Particulars</b>		
Opening Balance	4,174,495,465	3,029,995,465
Add: Addition during the Year	1,957,279,755	1,144,500,000
<b>Closing Balance*</b>	<b>6,131,775,220</b>	<b>4,174,495,465</b>

\* Includes Contingent Provision Against Standard Assets amounting to ₹ 6,100,000,000 (Previous Year ₹ 4,150,000,000).

#### (10) SHORT-TERM BORROWINGS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>Secured</b>		
<b>(a) Loans repayable on demand</b>		
From banks- Working Capital Demand Loan*	8,715,816,774	38,900,000,000
From banks- Cash Credit Facility*	41,816,144,505	23,825,274,263
<b>(b) Other Loans and advances</b>		
From banks*	21,748,014,681	35,472,894,533
<b>Unsecured</b>		
<b>Other Loans and advances</b>		
Commercial Papers	93,550,000,000	38,410,000,000
	<b>165,829,975,960</b>	<b>136,608,168,796</b>

\* Secured by hypothecation of Loan Receivables (Current and Future)/Current Assets/Cash and Cash Equivalents of the Company.

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (11) TRADE PAYABLES

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
(a) Total outstanding dues of micro enterprises and small enterprises*; and	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	59,355,798	90,060,114
	<b>59,355,798</b>	<b>90,060,114</b>

\* Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

- An amount of Nil and Nil was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.
- No interest was paid during the year in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed day.
- No amount of interest is due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.
- No interest was accrued and unpaid at the end of the accounting year.
- No further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

#### (12) OTHER CURRENT LIABILITIES

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Current maturities of long term debt <sup>(1)</sup>	129,401,150,059	111,643,457,650
Interest accrued but not due <sup>(2)</sup>	18,589,750,636	9,410,359,928
Temporary Overdrawn Balances as per books	13,878,883,160	14,299,778,053
Amount payable on Assigned Loans	7,201,244,773	2,214,983,305
Foreign Currency Forward payable	2,443,769,413	354,054,178
Other Current Liabilities for Statutory Dues and Expense Provisions	3,549,863,190	1,606,495,111
Unclaimed Dividends <sup>(3)</sup>	32,981,879	64,678,695
	<b>175,097,643,110</b>	<b>139,593,806,920</b>
(1) Current maturities of long term debt		
Secured Redeemable, Non Convertible Debentures	65,989,332,500	49,695,000,000
Unsecured Subordinated Debt	1,401,000,000	-
Term Loans(Secured)		
From Banks <sup>(Refer Note 28 (ii))</sup>	61,260,817,559	61,198,457,650
From Others <sup>(Refer Note 28 (ii))</sup>	750,000,000	750,000,000
	<b>129,401,150,059</b>	<b>111,643,457,650</b>
(2) Interest accrued but not due		
On Term Loans and Working Capital Demand Loans	437,812,238	253,353,271
On Secured Redeemable Non Convertible Debentures	16,951,981,277	8,476,605,106
On Unsecured Redeemable Non Convertible Debentures	91,673,618	-
On Subordinate Debt and Perpetual Debt	1,108,283,503	680,401,551
	<b>18,589,750,636</b>	<b>9,410,359,928</b>

- In respect of amounts as mentioned under Section 124 of the Companies Act, 2013, there were no dues(Previous Year ₹ Nil) required to be credited to the Investor Education and Protection Fund as on March 31, 2017.

## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

### (13) SHORT-TERM PROVISIONS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Provision for Taxation (Net of Advance Tax/ TDS/ Self assessment Tax ₹ 6,702,692,232 (Previous Year ₹ 9,160,906,824))	391,804,361	297,590,283
Provision for Fringe Benefits Tax (net of Advance Tax ₹ 2,269,191 (Previous Year ₹ 2,269,191))	185,628	185,628
Provision for Contingencies (Refer Note. 9(1) & 37)	609,458,382	488,973,345
Provision for Gratuity (Refer Note 25)	11,791,433	10,937,629
Provision for Compensated Absences (Refer Note 25)	6,583,914	7,472,065
Premium on Redemption on Secured Non Convertible Debentures (Accrued but not due)(Sinking fund)	1,844,921,162	1,253,354,462
	<b>2,864,744,880</b>	<b>2,058,513,412</b>

### (14) FIXED ASSETS

Particulars	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	As at April 1, 2016 ₹	Additions during the year ₹	Adjust- ments/ Sales during the year ₹	As at March 31, 2017 ₹	As at April 1, 2016 ₹	Provided during the year ₹	Adjustments during the year ₹	As at March 31, 2017 ₹	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>A. Tangible Assets-Property, Plant and Equipment</b>										
Land*	3,218,270	-	-	3,218,270	-	-	-	3,218,270	3,218,270	3,218,270
Building <sup>(1)</sup>	13,339,075	69,004,600	-	82,343,675	999,216	474,610	-	1,473,826	80,869,849	12,339,859
Computers	285,959,804	70,569,461	5,694,175	350,835,090	216,093,738	43,970,304	5,649,751	254,414,291	96,420,799	69,866,066
Furniture & Fixtures <sup>(2)</sup>	202,972,846	33,035,890	2,379,377	233,629,359	94,099,028	18,063,472	1,920,950	110,241,550	123,387,809	108,873,818
Leasehold Improvements <sup>(2)</sup>	273,827,759	67,810,661	5,142,846	336,495,574	172,163,062	21,897,367	4,155,705	189,904,724	146,590,850	101,664,697
Office Equipment	129,672,968	37,476,057	1,779,753	165,369,272	96,200,488	16,494,713	1,634,207	111,060,994	54,308,278	33,472,480
Vehicles	512,481,336	109,869,426	5,218,981	617,131,781	208,767,932	98,324,659	2,993,701	304,098,890	313,032,891	303,713,404
<b>Total (A)</b>	<b>1,421,472,058</b>	<b>387,766,095</b>	<b>20,215,132</b>	<b>1,789,023,021</b>	<b>788,323,464</b>	<b>199,225,125</b>	<b>16,354,314</b>	<b>971,194,275</b>	<b>817,828,746</b>	<b>633,148,594</b>
Previous Year(I)	1,120,839,268	315,897,811	15,265,021	1,421,472,058	614,042,266	187,478,803	13,197,606	788,323,463	633,148,596	
<b>B. Intangible Assets</b>										
Software	215,327,243	8,985,487	-	224,312,730	195,928,690	7,875,379	-	203,804,069	20,508,661	19,398,553
<b>Total (B)</b>	<b>215,327,243</b>	<b>8,985,487</b>	<b>-</b>	<b>224,312,730</b>	<b>195,928,690</b>	<b>7,875,379</b>	<b>-</b>	<b>203,804,069</b>	<b>20,508,661</b>	<b>19,398,553</b>
Previous Year (II)	198,902,884	16,424,359	-	215,327,243	189,692,620	6,236,070	-	195,928,690	19,398,553	
<b>Total (A+B)</b>	<b>1,636,799,301</b>	<b>396,751,582</b>	<b>20,215,132</b>	<b>2,013,335,751</b>	<b>984,252,154</b>	<b>207,100,504</b>	<b>16,354,314</b>	<b>1,174,998,344</b>	<b>838,337,407</b>	<b>652,547,147</b>
Previous Year (I)+(II)	1,319,742,152	332,322,170	15,265,021	1,636,799,301	803,734,886	193,714,873	13,197,606	984,252,153	652,547,149	

\*Mortgaged as Security against Secured Non Convertible Debentures (Refer Note 6, 9 & 12)

(1) Flat costing ₹ 3,083,975 Mortgaged as Security against Secured Non Convertible Debentures (Refer Note 6, 9 & 12)

(2) Depreciation on Furniture and Fixtures aggregating to ₹ Nil (Previous Year ₹ 74,833,036) have been regrouped to Leasehold Improvements as at April 1, 2016.

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (15) NON-CURRENT INVESTMENTS (AT COST)<sup>(REFER NOTE 39)</sup>

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Long Term - Trade - Unquoted (unless otherwise stated)		
(i) In Wholly owned Subsidiary Companies (Unless otherwise stated):		
- 50,000 (Previous Year 50,000) Fully paid up Equity Shares of face value ₹ 10 each in Indiabulls Insurance Advisors Limited <sup>(1)</sup>	500,000	500,000
- 5,000,000 (Previous Year 5,000,000) Fully paid up Equity Shares of face value ₹ 10 each in Indiabulls Capital Services Limited <sup>(1)</sup>	50,000,000	50,000,000
- 42,826,288 (Previous Year 42,826,288) Fully paid up Equity Shares of face value ₹ 10 each in Indiabulls Commercial Credit Limited (formerly known as Indiabulls Infrastructure Credit Limited) <sup>(3)</sup>	4,304,411,255	4,304,411,255
- 22,500,000 (Previous Year 22,500,000) Fully paid up Compulsory Convertible Cumulative Preference shares face value ₹ 10 each in Indiabulls Commercial Credit Limited (formerly known as Indiabulls Infrastructure Credit Limited)	2,025,000,000	2,025,000,000
- 2,550,000 (Previous Year 2,550,000) Fully paid up Equity Shares of face value ₹ 10 each in Indiabulls Advisory Services Limited	25,500,000	25,500,000
- 50,000 (Previous Year 50,000) Fully paid up Equity Shares of face value ₹ 10 each in Indiabulls Asset Holding Company Limited	500,000	500,000
- 50,000 (Previous Year 50,000) Fully paid up Equity Shares of face value ₹ 10 each in Indiabulls Life Insurance Company Limited <sup>(1)</sup>	500,000	500,000
- 150,000 (Previous Year 150,000) Fully paid up Equity Shares of face value ₹ 10 each in Indiabulls Collection Agency limited	100,500,000	100,500,000
- 50,000 (Previous Year 50,000) Fully paid up Equity Shares of face value ₹ 10 each in Ibulls Sales Limited	500,000	500,000
- 70,000,000 (Previous Year 70,000,000) Fully paid up Equity Shares of face value ₹ 10 each in Indiabulls Asset Management Company Limited <sup>(5)</sup>	700,000,000	700,000,000
- 500,000 (Previous Year 500,000) Fully paid up Equity Shares of face value ₹ 10 each in Indiabulls Trustee Company Limited	5,000,000	5,000,000
- 150,000 (Previous Year 150,000) Fully paid up Equity Shares of face value ₹ 10 each in Indiabulls Holdings Limited	1,500,000	1,500,000
- Nil (Previous Year 1,225,000) Fully paid up Equity Shares of face value ₹ 10 each in Indiabulls Asset Reconstruction Company Limited <sup>(2)</sup>	-	12,250,000
Total (i)	<b>7,213,911,255</b>	<b>7,226,161,255</b>
(ii) In Associate Companies:		
- 818,615 (Previous Year 818,615) Fully paid up Equity shares of face value GBP 0.59 each in OakNorth Holdings Limited <sup>(6)</sup>	6,633,121,000	6,633,121,000
Total (ii)	<b>6,633,121,000</b>	<b>6,633,121,000</b>
(iii) Other Long Term Investments (Unquoted):		
- 35,000,000 (Previous Year 28,000,000) Fully paid up Equity Shares of face value ₹ 5 each in Indian Commodity Exchange Limited <sup>(4) &amp; (5)</sup>	210,000,000	140,000,000
- 50 (Previous Year 50) 9.25% Unsecured Redeemable, Non-Convertible Subordinated Bonds of Dena Bank of Face Value of ₹ 1,000,000 each	50,000,000	50,000,000
- Investments in Pass Through Certificates/Bonds/Other Long Term investment <sup>(Refer Note 28(iv)(d))</sup>	1,046,179,033	519,590,284
Total (iii)	<b>1,306,179,033</b>	<b>709,590,284</b>
(iv) Investments in Quoted Mutual Fund <sup>(Refer Note 28(iv)(d))</sup>	200,000,000	-
Total (iv)	<b>200,000,000</b>	-
Less: Provision for diminution in value of Investments	Total (v)	-
Total (i)+(ii)+(iii) + (iv)-(v)	<b>15,302,211,288</b>	<b>14,568,872,539</b>
Aggregate market value of quoted Investments	<b>200,530,000</b>	-
Aggregate book value of quoted Investments	<b>200,000,000</b>	-
Aggregate book value of unquoted Investments	<b>15,153,211,288</b>	<b>14,568,872,539</b>
Aggregate provision for diminution in value of Investments	<b>51,000,000</b>	-

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(1) As at March 31, 2017, the Company holds 100% of the Equity Share capital of Indiabulls Insurance Advisors Limited, Indiabulls Life Insurance Company Limited and Indiabulls Capital Services Limited are considered as strategic and long term in nature and are held at a cost of ₹ 500,000, ₹ 500,000 and ₹ 50,000,000 respectively. Based on the audited financials of these companies, as at March 31, 2017, there has been an erosion in the value of investment made in these companies as the operations in this company have not yet commenced / are in the process of being set up. During the current financial year provision of ₹ 51,000,000 (Previous year ₹ Nil) for diminution in the carrying value has been made in the books of account.

(2) During the current financial year, the Company has sold its entire investment in Indiabulls Asset Reconstruction Company Limited for a consideration of ₹ 12,250,000 (Previous year N.A.).

(3) The Board of Directors of Indiabulls Finance Company Private Limited ("IFCPL") and Indiabulls Commercial Credit Limited ("ICCL") (formerly Indiabulls Infrastructure Credit Limited) (both being wholly owned subsidiaries of the Company) at their meeting held on April 16, 2015 had approved, the merger of IFCPL, on an ongoing basis, into ICCL, pursuant to and in terms of the provisions of Section 391 – 394 of the Companies Act, 1956, as amended from time to time. The appointed date of the proposed merger fixed under the Scheme was April 01, 2015. The Hon'ble High Court of Delhi, vide its order dated March 15, 2016, received by the Company on March 31, 2016, approved the Scheme (Order). In terms of the court approved Scheme, with the filing of the copy of the Order, on March 31, 2016 with the office of ROC, NCT of Delhi & Haryana (the Effective Date), the Scheme came into effect and IFCPL, as a going concern, stands amalgamated with ICCL with effect from the Appointed Date, being April 01, 2015. Subsequently the Board of Directors of ICCL, on March 31, 2016, issued and allotted 32,826,288 Equity Shares of ₹ 10 each of ICCL to the Company against its holding of 10,942,096 fully paid Equity Shares of ₹ 10/- each of IFCPL, in the ratio of 3:1 i.e the Share Exchange Ratio, fixed under the Scheme.

(4) On December 13, 2010 the Erstwhile Holding Company (IBFSL) had sold 26% shares held by it in Indian Commodity Exchange Limited (ICEX) to Reliance Exchange Next Limited (R-Next) for a total consideration of ₹ 473,500,000 against a proportionate cost of ₹ 260,000,000. As a result thereof, the stake of IBFSL in ICEX has been reduced from 40% to 14% and the same has been reclassified as a long term investment from the earlier classification of being an Associate. MMTC filed a petition before the Company Law Board (CLB) against ICEX, R-Next and IBFSL alleging that the transfer is null and void in terms of the Shareholders Agreement in view of the Forward Markets Commission (FMC) guidelines. IBFSL contends that such view of MMTC is based on the old FMC guidelines and without considering the amended FMC Guidelines dated June 17, 2010 wherein the transfer norms were relaxed. IBFSL had filed its objections on maintainability of the petition which is pending adjudication before the CLB.

(5) During the current financial year, the Company has invested ₹ 70,000,000 (Previous Year ₹ Nil) by subscribing to 7,000,000 (Previous year Nil) Equity Shares of face value ₹ 5 per share, issued by Indian Commodity Exchange Limited through Rights issue.

(6) During the financial year 2015-16, the Company has invested ₹ 6,633,121,000 in OakNorth Holdings Limited by subscribing to 818,615 of face value of GBP 0.59 per share for 39.76% stake. OakNorth Bank- a licensed UK commercial bank is a wholly owned subsidiary of OakNorth Holdings Limited. As at on March 31, 2017 the Company has a stake of 38.73%.



## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (16) LONG-TERM LOANS AND ADVANCES (UNSECURED UNLESS OTHERWISE STATED)

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
(i) Loans and Other Credit Facilities-		
(a) Secured Loans <sup>(1) &amp; (2)</sup>		
– Considered Good	790,361,515,411	593,350,125,905
– Considered Doubtful	2,923,643,959	2,360,220,950
Less: Loans Assigned	81,205,391,863	72,964,717,271
	712,079,767,507	522,745,629,584
(b) Unsecured Loans		
– Considered Good	148,078,308	1,337,939,767
– Considered Doubtful	130,000,000	-
	278,078,308	1,337,939,767
Total (a)+(b)	712,357,845,815	524,083,569,351
Less: Provision for Loan Assets(3)(Including additional provision made by the Company) <sup>(Refer Note. 37)</sup>	4,883,494,377	3,844,822,469
	707,474,351,438	520,238,746,882
(ii) Other Loans and Advances		
Capital Advance <sup>(4)</sup>	814,754,098	47,949,539
Security Deposit for Rented Premises	214,234,618	168,482,471
Security Deposit with others	40,408,098	10,270,598
MAT Credit Entitlement	1,324,078,357	1,683,078,357
Advance Fringe Benefits tax (FBT) (Net of Provision for FBT ₹ 902,091 (Previous Year ₹ 902,091))	68,776	68,776
Advance Tax / Tax deducted at source (Net of Provision for Tax ₹ 19,645,809,775 (Previous Year ₹ 10,444,809,261))	2,403,918,164	768,651,446
Foreign Currency Forward Receivable	532,970,000	-
Others including Prepaid Expenses and Employee advances	549,246,539	152,477,558
	<b>713,354,030,088</b>	<b>523,069,725,627</b>

(1) Secured Loans and Other Credit Facilities given to customers amounting to ₹ 712,079,767,507 (Previous Year ₹ 522,745,629,584) 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 guarantees and / or
- Negative lien and / or Undertaking to create a security.

(2) Includes Home loan to director for ₹ 22,454,320(Previous year N.A.)

(3) Movement in Provision for Loan Assets is as under :

	Amount ₹	Amount ₹
Opening Balance	3,999,669,026	2,946,744,529
Add: Transfer from Statement of Profit and Loss	4,597,761,116	2,187,431,118
Less: Utilised during the year - towards Loans written off	3,517,173,767	1,080,587,349
Closing Balance	<b>5,080,256,375</b>	<b>3,999,669,026</b>

(4) Includes Rs 683,174,252 (being 57% of total cost(excluding taxes) (Previous year N.A.) paid under construction linked plan for purchase of 179,649 sq ft office space @Rs6,580 / sqft.

## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

### (17) OTHER NON-CURRENT ASSETS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Margin Money Accounts	1,869,534,000	2,572,250,797
Interest Accrued on Deposit accounts / Margin Money	7,452,740	495,306,921
Interest Accrued on Loans	265,072,774	876,244,484
	<b>2,142,059,514</b>	<b>3,943,802,202</b>

### (18) CURRENT INVESTMENTS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Investments in Mutual Funds <sup>(Refer Note 28(iv(a)))</sup>	100,913,221,647	72,100,821,124
Investments in Bonds(Quoted)* <sup>(Refer Note 28(iv(b)))</sup>	17,454,796,442	2,692,727,200
Investments in Commercial Papers / Certificate of Deposits(Quoted)* <sup>(Refer Note 28(iv(c)))</sup>	7,980,656,250	23,117,187,222
	<b>126,348,674,339</b>	<b>97,910,735,546</b>
*Considered as Cash and Cash equivalents for Cash Flow Statement		
Aggregate Market value of Quoted Investments	25,464,953,442	25,964,807,606
Aggregate book value of Quoted Investments	25,435,452,692	25,809,914,422
Aggregate book value of Unquoted Investments	100,913,221,647	72,100,821,124
Aggregate provision for diminution in the value of investments	-	-

### (19) TRADE RECEIVABLES

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
<b>Other Debts</b>		
<b>Other Debts Outstanding for a period exceeding six months from its due date</b>		
– Secured, Considered Good	-	-
– Unsecured, Considered Good	-	-
<b>Other Debts Outstanding for a period less than six months from its due date</b>		
– Secured, Considered Good	-	-
– Unsecured, Considered Good	41,049,378	13,287,005
	<b>41,049,378</b>	<b>13,287,005</b>

### (20) CASH AND CASH EQUIVALENTS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
Cash on Hand	26,426,992	77,441,838
<b>Balances with banks</b>		
– in current accounts#	33,770,247,195	22,913,727,005
– in demand deposits accounts	15,351,479,586	384,602,148
	49,148,153,773	23,375,770,991
<b>Other Bank balances</b>		
– Margin Money Accounts	4,276,696,575	2,921,844,340
– in deposit accounts held as margin money (under lien) <sup>(1)</sup>	1,016,338,142	821,637,470
	5,293,034,717	3,743,481,810
	<b>54,441,188,490</b>	<b>27,119,252,801</b>

(1) Deposits accounts with bank of ₹ 1,016,338,142 (Previous Year ₹ 821,637,470) are under lien. The Company has the complete beneficial interest on the income earned from these deposits.

# includes ₹ 32,981,879 (Previous Year ₹ 64,678,695) in designated unclaimed dividend accounts.

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (21) SHORT-TERM LOANS AND ADVANCES (UNSECURED UNLESS OTHERWISE STATED)

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
(i) Loans and Other Credit Facilities		
(a) Secured Loans <sup>(1) &amp; (2)</sup>		
- Considered Good	84,093,551,757	74,058,372,738
- Considered Doubtful	-	-
Less: Loans assigned	6,472,959,328	6,404,121,392
	77,620,592,429	67,654,251,346
(b) Unsecured Loans		
- Considered Good	997,218,353	833,366,684
	997,218,353	833,366,684
(c) Secured Loans to Related Parties		
Indiabulls Commercial Credit Limited <sup>(Refer Note 15(3))</sup>	-	1,044,700,000
	-	1,044,700,000
Total (a) +(b)+(c)	78,617,810,782	69,532,318,030
Less: Provision for Loan Assets (Including additional provision made by the Company) <sup>(Refer Note.16(2) &amp; 37)</sup>	196,761,998	154,846,558
	78,421,048,784	69,377,471,472
(ii) Other Loans and Advances		
Advance Interest on Short term borrowings	1,140,775,624	502,464,620
Security Deposit for Rented Premises	10,879,723	30,817,724
Others including Prepaid Expenses/Cenvat Credit and Employee advances <sup>(3)</sup>	2,096,907,405	382,901,534
	<b>81,669,611,536</b>	<b>70,293,655,350</b>

(1) Secured Loans and Other Credit Facilities given to customers amounting to ₹ 77,620,592,429 (Previous Year ₹ 68,698,951,346) 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 guarantees and / or
- Negative lien and / or Undertaking to create a security.

(2) Includes Home loan to director for ₹ 1,065,228(Previous Year N.A.).

(3) Includes ₹ 1,258,363,568(Previous year N.A.) receivables on account of hedging of interest rate swaps contract.

#### (22) OTHER CURRENT ASSETS

	As at March 31, 2017 Amount (₹)	As at March 31, 2016 Amount (₹)
FCNR Hedge Premium	719,238,921	110,611,413
Interest Accrued on Loans	6,920,829,647	5,959,194,635
Interest Accrued on Deposit accounts / Margin Money / Bonds	1,125,961,194	205,482,829
	<b>8,766,029,762</b>	<b>6,275,288,877</b>

## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

### (23) REVENUE FROM OPERATIONS

	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
<b>(a) Income from Financing and Investing Activities</b>		
Income from Financing Activities <sup>(1)</sup>	97,082,918,820	75,600,495,137
<b>(b) Income from other Financial Services</b>		
Fee Income from Services	333,985,615	433,937,387
Commission on Insurance	252,853,601	150,550,823
Other Operating Income <sup>(2)</sup>	2,647,306,857	3,144,361,411
	<b>100,317,064,893</b>	<b>79,329,344,758</b>
(1) Income from Financing Activities Includes:		
Interest on Loan Financing / Income from Securitisation / Assignment	95,211,394,552	74,043,375,208
Interest on Deposit Accounts	606,223,750	708,605,311
Interest on Bonds / Commercial Papers / Certificate of Deposit / Pass Through Certificates	1,265,300,518	848,514,618
	<b>97,082,918,820</b>	<b>75,600,495,137</b>
(2) Other Operating Income includes:		
Loan processing fees	2,384,293,246	2,981,354,444
Foreclosure fees and other related income	1,196,703,591	908,571,070
Less: Direct Selling Agents Commission	670,298,610	507,973,003
Less: Client Verification Charges	257,497,023	221,394,149
Less: Cersai Charges	5,894,347	16,196,951
	<b>2,647,306,857</b>	<b>3,144,361,411</b>

### (24) OTHER INCOME

	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
Dividend received from Subsidiary Company	30,404,000	-
Dividend Income on Units of Mutual Funds	7,251,371,348	1,516,098,635
Sundry Balances Written back	214,705,534	6,011,758
Unrealised Income / Gain on Current Investments	2,550,915,408	1,748,902,854
Profit on sale of Current Investments	2,300,157,253	5,710,533,896
Interest on Income tax Refund	71,674,023	82,167,966
Miscellaneous Income	435,393,094	26,154,236
	<b>12,854,620,660</b>	<b>9,089,869,345</b>

### (25) EMPLOYEE BENEFITS EXPENSE

	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
Salaries	4,123,906,201	3,326,975,930
Contribution to Provident Fund and Other Funds <sup>(1)</sup>	55,124,863	35,035,247
Employee Stock Compensation Expense	2,421,921	3,366,850
Provision for Gratuity, Compensated Absences and Superannuation Expense <sup>(1)</sup>	274,939,074	262,611,625
Staff Welfare Expenses	79,444,471	58,306,965
	<b>4,535,836,530</b>	<b>3,686,296,617</b>

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

- (1) Employee Benefits – Provident Fund, ESIC, Gratuity and Compensated Absences disclosures as per Accounting Standard (AS) 15 (Revised) – Employee Benefits:

Contributions are made to Government Provident Fund and Family Pension Fund, ESIC and other statutory funds which cover all eligible employees under applicable Acts. Both the employees and the Company make predetermined contributions to the Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee's salary. The Company has recognised an amount of ₹ 55,124,863 (Previous year ₹ 35,035,247) in the Statement of Profit and Loss towards Employers contribution for the above mentioned funds.

Provision for unfunded Gratuity and Compensated Absences for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Pursuant to the issuance of the Accounting Standard (AS) 15 (Revised) on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

#### Disclosure in respect of Gratuity ,Compensated Absences and Superannuation:

Amount (₹)

Particulars	Gratuity		Compensated Absences		Superannuation	
	(Unfunded)		(Unfunded)		(Unfunded)	
	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016
<b>Reconciliation of liability recognised in the Balance Sheet:</b>						
Present Value of commitments (as per Actuarial valuation)	271,374,247	191,812,227	134,056,079	93,857,227	909,137,377	766,650,863
Fair value of plan assets	-	-	-	-	-	-
Net liability in the Balance sheet (as per Actuarial valuation)	271,374,247	191,812,227	134,056,079	93,857,227	909,137,377	766,650,863
<b>Movement in net liability recognised in the Balance Sheet:</b>						
<b>Net liability as at the beginning of the year</b>	191,812,227	112,738,402	93,857,227	54,787,999	766,650,863	625,880,074
Amount (paid) during the year	(12,241,322)	(8,542,908)	(450,366)	(30,194)	-	-
Net expenses recognised / (reversed) in the Statement of Profit and Loss	91,803,342	84,131,881	40,649,218	37,708,955	142,486,514	140,770,789
Acquisition Adjustment (on account of transfer of employees)	-	3,484,852	-	1,390,467	-	-
Net liability as at the end of the year	271,374,247	191,812,227	134,056,079	93,857,227	909,137,377	766,650,863
<b>Expenses recognised in the Statement of Profit and Loss:</b>						
Current service cost	57,757,109	36,432,511	39,427,011	24,232,785	61,231,385	52,557,608
Past service cost	-	-	-	-	-	-
Interest Cost	17,033,749	10,596,423	8,422,730	5,289,752	62,858,852	53,001,233
Expected return on plan assets	-	-	-	-	-	-
Actuarial (gains) / Losses	17,012,484	37,102,947	(7,200,523)	8,186,418	18,396,277	35,211,948
Expenses charged / (reversal) to the Statement of Profit and Loss	91,803,342	84,131,881	40,649,218	37,708,955	142,486,514	140,770,789
<b>Return on Plan assets:</b>						
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

## NOTES

**FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)**

Particulars	Gratuity		Compensated Absences		Superannuation	
	(Unfunded)		(Unfunded)		(Unfunded)	
	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016
<b>Reconciliation of defined-benefit commitments:</b>						
Commitments as at the beginning of the year	191,812,227	112,738,402	93,857,227	54,787,999	766,650,863	625,880,074
Current service cost	57,757,109	36,432,511	39,427,011	24,232,785	61,231,385	52,557,608
Past service cost	-	-	-	-	-	-
Interest cost	17,033,749	10,596,423	8,422,730	5,289,752	62,858,852	53,001,233
(Paid benefits)	(12,241,322)	(8,542,908)	(450,366)	(30,194)	-	-
Acquisition Adjustment (on account of transfer of employees)	-	3,484,852	-	1,390,467	-	-
Actuarial (gains) / losses	17,012,484	37,102,947	(7,200,523)	8,186,418	18,396,277	35,211,948
Commitments as at the end of the year	271,374,247	191,812,227	134,056,079	93,857,227	909,137,377	766,650,863
<b>Reconciliation of Plan assets:</b>						
Plan assets as at the beginning of the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Contributions during the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Paid benefits	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Plan assets as at the end of the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

N.A. - not applicable

Amount (₹)

Particulars	Gratuity (Unfunded)				
	Financial Years				
	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
<b>Experience adjustment</b>					
On plan liabilities	6,111,829	(4,184,689)	(6,463,969)	(1,641,298)	10,602,743
On plan assets	-	-	-	-	-
Present value of benefit obligation	271,374,247	191,812,227	112,738,402	80,389,766	77,701,009
Fair value of plan assets	-	-	-	-	-
Excess of (obligation over plan assets) / plan assets over obligation	271,374,247	191,812,227	112,738,402	80,389,766	77,701,009

Amount (₹)

Particulars	Compensated Absences (Unfunded)				
	Financial Years				
	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
<b>Experience adjustment</b>					
On plan liabilities	19,066,615	7,304,983	(2,659,694)	6,258,794	8,763,744
On plan assets	-	-	-	-	-
Present value of benefit obligation	134,056,079	93,857,227	54,787,999	33,533,429	34,409,481
Fair value of plan assets	-	-	-	-	-
Excess of (obligation over plan assets) / plan assets over obligation	134,056,079	93,857,227	54,787,999	33,533,429	34,409,481



## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

Amount (₹)

Particulars	Superannuation (Unfunded)				
	Financial Years				
	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
<b>Experience adjustment</b>					
On plan liabilities	55,110,565	87,238,629	(110,555,339)	(81,179,750)	(52,033,314)
On plan assets	-	-	-	-	-
Present value of benefit obligation	909,137,377	766,650,863	625,880,074	405,345,046	292,225,359
Fair value of plan assets	-	-	-	-	-
Excess of (obligation over plan assets) / plan assets over obligation	909,137,377	766,650,863	625,880,074	405,345,046	292,225,359

N.A. - not available

The actuarial calculations used to estimate commitments and expenses in respect of unfunded Gratuity, Compensated absences and Superannuation (Pension & Medical coverage) are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)		Superannuation (Unfunded)	
	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016
Discount Rate	7.35%	8.00%	7.35%	8.00%	7.35%	8.00%
Expected Return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Expected rate of salary increase	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Mortality	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
Retirement Age (Years)	60	60	60	60	60	60

N.A. - not applicable

The employer's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity, Compensated Absences and Superannuation is ₹ 97,678,313 (Previous Year ₹ 70,681,191) ₹ 51,046,223 (Previous Year ₹ 35,364,179) and ₹ 198,571,497 (Previous Year ₹ 167,681,128) respectively.

### (26) FINANCE COSTS

	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
Interest on Loans <sup>(1) &amp; (2)</sup>	28,573,006,683	27,886,294,992
Interest on Non-Convertible Debentures	26,068,347,418	14,797,628,875
Interest on Commercial Papers	5,927,749,715	4,046,980,400
Interest on Subordinate Debt	1,626,730,285	1,143,525,071
Interest on Taxes	27,307,402	44,203,285
Bank Charges towards Borrowings	11,961,543	11,812,425
Processing fees	249,552,462	169,608,431
FCNR Hedge Premium	662,871,061	324,054,115
	<b>63,147,526,569</b>	<b>48,424,107,594</b>

1) During the year, the Company has recognized Premium on forward contract & principal only swaps on foreign currency loans amounting to ₹ 1,310,998,974 (Previous Year ₹ 1,061,188,724) included in Interest on Loans and unrealised marked to market profit towards derivatives which are not designated as hedges amounting to ₹ 183,184,405 (Previous Year loss ₹ 140,446,781) and unrealised marked to market profit towards derivatives which are designated as hedges amounting to ₹ 262,968,179 (Previous Year N.A.) which has been included under Bank / Finance Charges. Derivative instruments that are outstanding as at March 31, 2017 is as given below:-

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

- I. Cross Currency Swaps entered for hedging purposes outstanding as at March 31, 2017 for USD 367,702,517 (Previous Year USD 255,084,236) against cross currency of ₹ 23,434,750,000 (Previous Year ₹ 16,034,750,000) for a total of 9 outstanding Contracts (Previous Year 9 Contracts).
- II. INR Interest Rate Swaps (Fixed to Floating) for Notional Principal of ₹ 66,000,000,000 outstanding as at March 31, 2017 (Previous Year ₹ 9,250,000,000) for a total of 53 outstanding contracts (Previous Year 11 contracts).
- III. USD Interest Rate Swaps (Floating to Fixed/ Floating to Floating) for Notional Principal INR of ₹ 29,007,787,500 against USD 447,685,108 (Previous Year Notional Principal INR of ₹ 15,622,250,000 against USD 249,299,717) for a total of 19 contracts outstanding as at March 31, 2017 (Previous Year 18 contracts) against fluctuations in USD Libor.
- IV. Forward Contract entered for hedging purposes outstanding as at March 31, 2017 for USD 457,782,202 (Previous Year USD 108,204,333) against cross currency of ₹ 30,733,653,531 (Previous Year ₹ 7,015,965,407) for a total of 18 Contracts outstanding (Previous Year 13 Contracts).
- 2) During the year the Company has credited an amount of ₹ 359,526,532 (Previous year debited ₹ 183,194,578) on account of Net Revaluation on Foreign Currency Loans, which is included in Interest on loans above.
- 3) Additional disclosure for Hedge Accounting:-
- The company has debited ₹ 172,533,938 (Net) in statement of profit and loss account against which accounting of fair value hedge has been adopted.
  - During the year, the company has recognised an amount of ₹ 42,817,255 to Cash flow Hedge Reserve. There is no amount recycled from the hedge reserve and reported in statement of profit and loss, as this is the first year of adoption of Hedge accounting.
  - Disclosure of Foreign Currency Exposures:-

Particulars	Foreign Currency	Year Ended March 31, 2017			Year Ended March 31, 2016		
		Exchange Rate	Amount in Foreign Currency	Amount in ₹	Exchange Rate	Amount in Foreign Currency	Amount in ₹
I. Assets							
Receivables (trade & other)	N.A.	-	-	-	-	-	-
Other Monetary assets	N.A.	-	-	-	-	-	-
Total Receivables (A)	N.A.	-	-	-	-	-	-
Hedges by derivative contracts (B)	N.A.	-	-	-	-	-	-
Unhedged receivables (C=A-B)	N.A.	-	-	-	-	-	-
II. Liabilities							
Payables (trade & other)							
Borrowings (ECB and Others)	USD	64.8386	821,547,983	53,268,021,073	66.3329	365,947,072	24,274,330,561
Total Payables (D)	USD	64.8386	821,547,983	53,268,021,073	66.3329	365,947,072	24,274,330,561
Hedges by derivative contracts (E)	USD	64.8386	821,547,983	53,268,021,073	66.3329	365,947,072	24,274,330,561
Unhedged Payables F=D-E)	USD	64.8386	-	-	66.3329	-	-
III. Contingent Liabilities and Commitments							
Contingent Liabilities	N.A.	-	-	-	-	-	-
Commitments	N.A.	-	-	-	-	-	-
Total (G)	N.A.	-	-	-	-	-	-
Hedges by derivative contracts(H)	N.A.	-	-	-	-	-	-
Unhedged Payables (I=G-H)	N.A.	-	-	-	-	-	-
Total unhedged FC Exposures (J=C+F+I)	N.A.	-	-	-	-	-	-

**Note:** For the above disclosure, Interest accrued on borrowings at respective year end has not been considered

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

- 4) Additional disclosures required by the NHB notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 Clause 3.4 for Derivatives are as follows:-

#### 3.4.1 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS):-

Amount (₹ In Crores)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(i) The notional principal of swap agreements	9,500.00	2,487.00
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	112.82	12.30
(iii) Collateral required by the FC upon entering into swaps	Nil	Nil
(iv) Concentration of credit risk arising from the swaps	Counterparty for all Swaps entered into by the company are Scheduled Commercial Banks	
(v) The fair value of the swap book	71.85	(5.31)

#### 3.4.2 Exchange Traded Interest Rate (IR) Derivative:-

Amount (₹ In Crores)

Particulars	Currency Derivatives	Interest Rate Derivatives
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year	NA	NA
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2017	NA	NA
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	NA	NA
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"	NA	NA

#### 3.4.3 (A) Qualitative Disclosure:-

The Company's activities expose it to the financial risks of changes in foreign exchange rates and interest rates. The Company uses derivative contracts such as foreign exchange forward, cross currency contracts, interest rate swaps, foreign currency futures, options and swaps to hedge its exposure to movements in foreign exchange and interest rates. The use of these derivative contracts reduce the risk or cost to the Company and the Company does not use those for trading or speculation purposes.

The Company uses hedging instruments that are governed by the policies of the Company which are approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company. The Board constituted Risk Management Committee (RMC) of the company manages risk on the company's derivative portfolio. The officials authorized by the board to enter into derivative transactions for the company are kept separate from the authorized signatories to confirm the derivative transactions. All derivative transactions that are entered into by the company are reported to the board, and the mark-to-market on its portfolio is monitored regularly by the senior management. The company uses Bloomberg to monitor and value its derivative portfolio to ascertain its hedge effectiveness vis-à-vis the underlying.

To hedge its risks on the principal and/ or interest amount for foreign currency borrowings on its balance sheet, the company has currently used cross currency derivatives, forwards and principal only swaps. Additionally, the company has entered into Interest Rate Swaps (IRS) to hedge its basis risk on fixed rate borrowings and LIBOR risk on its foreign currency borrowings.

Derivative financial instruments are initially measured at fair value on the contract date and are subsequently re-measured to fair value at each reporting date. Derivatives are classified as assets when the fair value is positive (positive marked to market value) or as liabilities when the fair value is negative (negative marked to market value). Derivative assets and liabilities are recognized on the balance sheet at fair value. Fair value of derivatives is ascertained from the mark to market and accrual values received from the counterparty banks. These values are cross checked against the valuations done internally on Bloomberg. Changes in the fair value of derivatives other than those designated as hedges are recognized in the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, no longer qualifies for hedge accounting or the Company chooses to end the hedging relationship.

## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

### 3.4.3 (B)

Amount (₹ In Crores)

Particulars	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)	5,416.84	9,500.00
(ii) Marked to Market Positions	(164.15)	71.85
(a) Assets (+)	15.07	112.82
(b) Liabilities (-)	(179.22)	(40.97)
(iii) Credit Exposure	Nil	Nil
(iv) Unhedged Exposures	Nil	Nil

### (27) OTHER EXPENSES

	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
Collection Charges	3,514,998	8,047,977
Demat Charges	2,605,899	1,628,142
Stamp Papers/Stamp Duty charges	50,168,429	41,725,868
Rates & Taxes	8,652,600	5,927,585
Communication Expenses	70,752,581	56,875,578
Legal and Professional Charges	118,934,610	188,336,109
Rent and Other Charges <sup>(1)</sup>	452,981,569	387,005,245
Electricity Expenses	73,828,162	70,491,816
Repairs and Maintenance-Others	150,257,610	148,718,911
Recruitment and Training	17,898,580	15,095,271
Printing and Stationery	37,080,756	31,715,100
Traveling and Conveyance Expenses	155,993,667	135,894,938
Business Promotion	75,100,961	68,933,872
Payment to Auditors comprises (net of service tax input credit ₹ 1,667,500 (Previous year ₹ 1,790,160))		
Audit Fees	13,037,750	13,115,000
Other Services	9,697,500	12,729,839
Reimbursement of Expenses	2,047,250	1,935,000
Contingent Provision against standard Assets / Provision for Loan assets / Bad Debts Written Off(Net of Recoveries) <sup>(2)</sup> & (Refer Note 37)	6,541,630,023	3,898,912,377
Expenditure on Corporate Social Responsibility <sup>(3)</sup>	367,494,000	318,211,000
Advertisement	184,697,212	156,828,806
Loss on sale of fixed assets	643,736	755,172
Trusteeship Fees	6,011,062	4,728,311
Donations	257,501	1,500,000
Provision for Diminution in value of Long Term Investment	51,000,000	-
Marked to Market loss on Current Investment	60,842,980	-
Miscellaneous Expenses	18,267,296	13,721,921
	<b>8,473,396,732</b>	<b>5,582,833,838</b>

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

- (1) The Company has taken office premises on Lease and Leave & License basis at various locations in India. Lease rent/ License fees aggregating to ₹ 406,220,106 (Previous Year ₹ 351,742,791) in respect of the same have been charged to the Statement of Profit and Loss. The agreements are executed for periods ranging from 11 months to 12 years with a renewable clause. In many cases, the agreements also provide for termination at will by either party by giving a prior notice period between 30 to 90 days. The minimum lease rentals outstanding as at March 31, 2017, are as under:

Particulars	Minimum Lease Rentals	
	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
Not later than One year	375,969,001	269,295,559
Later than One year but not later than Five years	1,222,107,360	845,166,759
Later than Five Years	326,250,162	179,144,543
	<b>1,924,326,523</b>	<b>1,293,606,861</b>

- (2) Contingent Provision against standard Assets / Provision for Loan assets / Bad Debts Written Off (Net of Recoveries) includes;

Particulars	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
Contingent Provisions against Standard Assets	1,957,279,755	1,144,500,000
Provision for Loan Assets / Bad Debt / Advances written off*	4,584,350,268	2,754,412,377
Total	<b>6,541,630,023</b>	<b>3,898,912,377</b>

Net of Bad Debt Recovery of ₹ 13,410,848 (Netted of by Bad Debt /advances written off of ₹ 168,662,106) (Previous Year Inclusive of Net Bad Debts /Advances written off of ₹ 566,981,259 (netted of by Bad Debt Recovery of ₹ 379,881,376).

- (3) In respect of Corporate Social Responsibility activities, gross amount required to be spent by the Company during the year was ₹ 367,493,798 (Previous Year ₹ 318,210,932) and Company has spent ₹ 367,494,000 (Previous Year ₹ 318,211,000).

### (28) EXPLANATORY NOTES

(i) Redeemable Non Convertible Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) include:\*

Particulars	As at March 31, 2017 Amount (₹)
8.65 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2026	136,946,000
8.79 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2026 #	24,171,000
8.85 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2026	9,907,552,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2026 #	1,953,479,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2026	4,044,991,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2026 #	1,500,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2026 <sup>(1)</sup>	243,432,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2026 # & <sup>(1)</sup>	9,466,000
8.90 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 22, 2026	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 30, 2026	2,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 5, 2026	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 29, 2026	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 8, 2026	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 29, 2026	2,070,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 11, 2026	350,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 13, 2026	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 7, 2026	500,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 31, 2025	100,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 20, 2025	2,650,000,000

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (i) Redeemable Non Convertible Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) include:\* (Contd.)

Particulars	As at March 31, 2017 Amount (₹)
9.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 26, 2025	10,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 19, 2025	250,000,000
9.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 31, 2024	250,000,000
9.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 16, 2024	250,000,000
10.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 30, 2024	250,000,000
10.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 5, 2024	250,000,000
10.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 24, 2023	250,000,000
10.55 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 21, 2023	4,000,000,000
10.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 8, 2023	250,000,000
11.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 29, 2023	10,000,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 25, 2023	50,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 19, 2023	1,000,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 26, 2023	250,000,000
10.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 16, 2023	350,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 31, 2022	500,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 18, 2022	150,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 20, 2022	100,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 19, 2022	150,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 6, 2022	150,000,000
10.70 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 6, 2022	200,000,000
10.70 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 28, 2022	8,000,000,000
10.75 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 3, 2022	1,250,000,000
8.57 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 30, 2022 **	3,500,000,000
8.57 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 22, 2022 **	1,600,000,000
8.57 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 21, 2022 **	6,000,000,000
10.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 27, 2022	5,000,000,000
10.70 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 22, 2021	1,000,000,000
8.75 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2021	33,896,263,000
8.90 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2021	13,112,298,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2021 <sup>(i)</sup>	74,385,000
10.65 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 7, 2021	5,000,000,000
8.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 23, 2021	7,000,000,000
8.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 16, 2021	8,000,000,000
8.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 11, 2021	100,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 7, 2021	150,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 29, 2021	100,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 21, 2021	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 10, 2021	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 12, 2021	250,000,000
10.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 18, 2021	200,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 8, 2021	750,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 19, 2021	1,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 7, 2021	3,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 20, 2020	2,550,000,000
9.35 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 18, 2020	4,250,000,000
9.40 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 4, 2020	10,000,000,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 13, 2020	150,000,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 7, 2020	150,000,000
9.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 11, 2020	500,000,000



## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(i) Redeemable Non Convertible Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) include:\* (Contd.)

Particulars	As at March 31, 2017 Amount (₹)
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 1, 2020 ** & (1)	1,600,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 12, 2020 ** & (1)	180,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 5, 2020 ** & (1)	200,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 4, 2020 ** & (1)	50,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 30, 2020 ** & (1)	195,000,000
9.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 30, 2020	833,335,000
8.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 27, 2020 **	250,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 27, 2020	200,000,000
8.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 13, 2020 ** & (1)	2,500,000,000
8.55 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 2, 2020	1,000,000,000
9.45 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 8, 2019	1,000,000,000
4.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 2, 2019 (1)	2,000,000,000
4.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 27, 2019 (1)	3,000,000,000
9.65 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 14, 2019	150,000,000
9.88 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 30, 2019	100,000,000
8.567 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 15, 2019	13,300,000,000
9.90 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 13, 2019	150,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 29, 2019	950,000,000
8.55 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2019	267,128,000
8.65 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2019	5,619,200,000
8.70 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2019	653,152,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 26, 2019 (1)	56,037,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 3, 2019 (1)	500,000,000
8.65 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 22, 2019	16,000,000,000
8.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 9, 2019	2,600,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 15, 2019	500,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 15, 2019 (1)	750,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 28, 2019	3,400,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 21, 2019	500,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 11, 2019 (1)	100,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 15, 2019 (1)	370,000,000
8.95 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 12, 2019	250,000,000
9.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 29, 2019	833,332,500
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 29, 2019	1,000,000,000
9.4953 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 11, 2019	500,000,000
9.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 9, 2019	500,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 22, 2019	1,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 19, 2019	1,000,000,000
9.078 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 14, 2019	65,000,000
8.95 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 27, 2018	50,000,000
9.2775 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 13, 2018	630,000,000
8.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 23, 2018 **	5,000,000,000
9.1775 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 22, 2018	520,000,000
9.1775 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 8, 2018	580,000,000
9.455 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 12, 2018	2,250,000,000
9.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 9, 2018	2,500,000,000
8.55 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 31, 2018	500,000,000
9.10 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 31, 2018	200,000,000
9.10 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 27, 2018	700,000,000

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (i) Redeemable Non Convertible Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) include:\* (Contd.)

Particulars	As at March 31, 2017 Amount (₹)
9.10 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 20, 2018	2,000,000,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 20, 2018	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 16, 2018 <sup>(1)</sup>	700,000,000
8.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 10, 2018	14,000,000,000
8.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 9, 2018	13,000,000,000
9.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 1, 2018	450,000,000
9.1067 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 25, 2018	160,000,000
9.35 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 19, 2018	750,000,000
8.95 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 18, 2018	2,000,000,000
8.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 29, 2018 **	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 28, 2018	500,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 26, 2018	1,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 20, 2018	2,000,000,000
8.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 15, 2018 **	1,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 13, 2018 <sup>(1)</sup>	700,000,000
9.45 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 27, 2018	40,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 25, 2018	240,000,000
9.90 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 20, 2018	150,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 4, 2018	200,000,000
<b>Total</b>	<b>287,416,667,500</b>

<sup>(1)</sup> Redeemable at premium

\* Redeemable Non-Convertible Debentures are secured against Immovable Property / Current Assets and pool of Current and Future Loan Receivables of the Company.

\*\* As at the year end, the Company was in the process of creating the charge / security on assets.

# Unsecured Redeemable Non-Convertible Debentures.

#### (i) Redeemable Non Convertible Debentures (payable at par unless otherwise stated) (Secured unless otherwise stated) include:\*

Particulars	As at March 31, 2016 Amount (₹)
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 13, 2026 **	250,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 7, 2026	500,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 31, 2025	100,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 20, 2025	2,650,000,000
9.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 26, 2025	10,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 19, 2025	250,000,000
9.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 31, 2024	250,000,000
9.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 16, 2024	250,000,000
10.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 30, 2024	250,000,000
10.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 5, 2024	250,000,000
10.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 24, 2023	250,000,000
10.55 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 21, 2023	4,000,000,000
10.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 8, 2023	250,000,000
11.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 29, 2023	10,000,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 25, 2023	50,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 19, 2023	1,000,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 26, 2023	250,000,000
10.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 16, 2023	350,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 31, 2022	500,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 18, 2022	150,000,000

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(i) Redeemable Non Convertible Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) include:\* (Contd.)

Particulars	As at March 31, 2016 Amount (₹)
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 20, 2022	100,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 19, 2022	150,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 6, 2022	150,000,000
10.70 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 6, 2022	200,000,000
10.70 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 28, 2022	8,000,000,000
10.75 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 3, 2022	1,250,000,000
10.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 27, 2022	5,000,000,000
10.70 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 22, 2021	1,000,000,000
10.65 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 7, 2021	5,000,000,000
10.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 18, 2021	200,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 8, 2021	750,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 19, 2021	1,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 7, 2021	3,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 20, 2020	2,550,000,000
9.35 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 18, 2020	4,250,000,000
9.40 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 4, 2020	10,000,000,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 13, 2020	150,000,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 7, 2020	150,000,000
9.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 11, 2020	500,000,000
9.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 30, 2020 **	833,335,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 27, 2020	200,000,000
9.45 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 8, 2019	1,000,000,000
4.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 2, 2019 <sup>(1)</sup>	2,000,000,000
4.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 27, 2019 <sup>(1)</sup>	3,000,000,000
9.65 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 14, 2019	150,000,000
9.88 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 30, 2019	100,000,000
9.90 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 13, 2019	150,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 29, 2019	950,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 25, 2019 <sup>(1)</sup>	3,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 15, 2019	5,000,000,000
9.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 29, 2019 **	833,332,500
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 29, 2019 **	1,000,000,000
9.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 11, 2019 **	500,000,000
9.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 9, 2019	500,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 22, 2019 **	1,000,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 19, 2019	1,000,000,000
9.08 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 14, 2019	65,000,000
8.95 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 27, 2018	50,000,000
9.28 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 13, 2018	630,000,000
9.18 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 22, 2018	520,000,000
9.18 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 8, 2018	580,000,000
9.46 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 12, 2018 **	2,250,000,000
9.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 9, 2018	2,500,000,000
9.10 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 31, 2018	200,000,000
9.10 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 27, 2018	700,000,000
9.10 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 20, 2018	3,000,000,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 20, 2018	250,000,000
9.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 1, 2018	450,000,000
9.11 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 25, 2018	160,000,000

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (i) Redeemable Non Convertible Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) include:\* (Contd.)

Particulars	As at March 31, 2016 Amount (₹)
9.35 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 19, 2018	750,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 26, 2018	1,000,000,000
9.45 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 27, 2018	40,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 25, 2018	240,000,000
9.90 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 20, 2018	150,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 4, 2018	200,000,000
9.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 29, 2018 **	833,332,500
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 28, 2018 **	500,000,000
9.65 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 28, 2018	1,000,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 28, 2018 <sup>(1)</sup>	1,000,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 25, 2018	150,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 19, 2018	1,000,000,000
10.10 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 19, 2018	1,000,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 14, 2018 <sup>(1)</sup>	320,000,000
9.49 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 12, 2018 **	2,350,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 9, 2018	200,000,000
9.80 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 9, 2018	7,200,000,000
9.35 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on March 5, 2018	100,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on February 23, 2018 <sup>(1)</sup>	400,000,000
9.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 19, 2018	500,000,000
10.25 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on January 16, 2018	400,000,000
10.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 28, 2017	1,500,000,000
10.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 17, 2017	401,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on December 1, 2017 <sup>(1)</sup>	100,000,000
9.58 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 25, 2017	250,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 24, 2017 <sup>(1)</sup>	350,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 16, 2017 <sup>(1)</sup>	100,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on November 8, 2017 <sup>(1)</sup>	270,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 31, 2017 <sup>(1)</sup>	60,000,000
9.88 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 30, 2017	50,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 26, 2017 <sup>(1)</sup>	250,000,000
9.90 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 23, 2017	30,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 19, 2017 <sup>(1)</sup>	100,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on October 11, 2017 <sup>(1)</sup>	30,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 29, 2017	1,810,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 25, 2017 <sup>(1)</sup>	430,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on September 11, 2017 <sup>(1)</sup>	280,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 30, 2017 <sup>(1)</sup>	130,000,000
10.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 18, 2017	350,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 17, 2017 <sup>(1)</sup>	150,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 8, 2017 <sup>(1)</sup>	190,000,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on August 3, 2017	250,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 31, 2017 <sup>(1)</sup>	50,000,000
9.19 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 24, 2017	1,000,000,000
9.11 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 17, 2017	130,000,000
9.15 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on July 16, 2017	250,000,000
10.35 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 27, 2017	3,250,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 26, 2017 <sup>(1)</sup>	50,000,000
9.28 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 23, 2017	4,000,000,000

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(i) Redeemable Non Convertible Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) include:\* (Contd.)

Particulars	As at March 31, 2016 Amount (₹)
9.28 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 19, 2017	3,000,000,000
10.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 16, 2017	250,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 12, 2017 <sup>(1)</sup>	50,000,000
4.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on June 5, 2017 <sup>(1)</sup>	3,000,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on May 29, 2017 <sup>(1)</sup>	60,000,000
10.50 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 30, 2017	5,000,000,000
9.20 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 27, 2017	25,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 27, 2017 <sup>(1)</sup>	90,000,000
9.05 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 11, 2017	245,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 11, 2017	90,000,000
9.05 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 10, 2017	115,000,000
9.30 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 10, 2017	120,000,000
0.00 % Redeemable Non convertible Debentures of Face value ₹ 1,000,000 each Redeemable on April 6, 2017 <sup>(1)</sup>	30,000,000
<b>Total</b>	<b>154,741,000,000</b>

<sup>(1)</sup> Redeemable at premium

\* Redeemable Non-Convertible Debentures are secured against Immovable Property / Current Assets and pool of Current and Future Loan Receivables of the Company.

\*\* As at the year end, the Company was in the process of creating the charge / security on assets.

(ii) Term Loan from banks includes as at March 31, 2017\*:  
Particulars

Particulars	As at March 31, 2017 Amount (₹)
Term Loan taken from Bank. This loan is repayable in quarterly installment with moratorium period of 6 month from the date of disbursement. The balance tenure for this loan is 125 months from the Balance Sheet. <sup>(1)</sup>	3,534,482,751
Term Loan taken from Bank(s), These loans are repayable in half yearly installment after the moratorium of 3 years from the date of disbursement. The balance tenure for these loans are 30 months (average) from the Balance Sheet. <sup>(1)</sup>	2,000,000,000
Term Loan taken from Bank(s), These loans are repayable in quarterly installment with moratorium period of 1 year from the date of disbursement. The loan is secured by hypothecation of loan receivables of the company. The balance tenure for these loans are 21 months (average) from the Balance Sheet. <sup>(1)</sup>	21,052,083,324
Term Loan taken from Bank(s), These loans are repayable in yearly installment from the date of disbursement. The balance tenure for these loans are 31 months (average) from the Balance Sheet. <sup>(1)</sup>	13,000,000,000
Term Loan taken from Bank(s), These loans are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for these loans are 31 months (average) from the Balance Sheet. <sup>(1)</sup>	100,513,266,667
Term Loan of taken from Bank(s), These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loans are 12 months (average) from the Balance Sheet. <sup>(1)</sup>	8,500,000,000
Term Loan taken from Bank(s), These loans are repayable in yearly installment after the moratorium period of 1 year from the date of disbursement. The balance tenure for these loans are 38 months (average) from the Balance Sheet. <sup>(1)</sup>	7,000,000,000
Term Loan taken from Bank, This loan is repayable in monthly installment from the date of disbursement. The balance tenure for this loan is 61 months from the Balance Sheet. <sup>(1)</sup>	416,666,667
Term Loan taken from Bank(s), These loans are repayable in quarterly installment from the date of disbursement. The balance tenure for these loans are 19 months (average) from the Balance Sheet. <sup>(1)</sup>	19,788,333,344
Term loan taken from Bank. This loan is repayable in Equal half yearly installments in 24th , 30th and 36th months. The balance tenure for this loan is 22 months from the Balance Sheet. <sup>(1)</sup>	1,500,000,000
Term loan taken from Bank. This loan is repayable - in two equal installment at the end of 18th and 30th months. The balance tenure for this loan is 18 months from the Balance Sheet. <sup>(1)</sup>	5,000,000,000
Term Loan taken from Bank(s), These loans are repayable in yearly installment with the moratorium period of 3 years from the date of disbursement. The balance tenure for these loans are 52 months (average) from the Balance Sheet. <sup>(1)</sup>	31,400,000,000
Term Loan taken from Bank(s), These loans are repayable in half yearly installment with the moratorium period of 1 year from the date of disbursement. The balance tenure for these loans are 20 months (average) from the Balance Sheet. <sup>(1)</sup>	7,000,000,000
Term Loan taken from Bank(s). These loans are repayable in half yearly installments with the moratorium period of 1.5 years from the date of disbursement. The balance tenure for these loans are 40 months from the Balance Sheet. <sup>(1)</sup>	21,500,000,000



## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

**(ii) Term Loan from banks includes as at March 31, 2017\*: (Contd.)**

Particulars	As at March 31, 2017 Amount (₹)
Term Loan taken from Bank. This loan is repayable at the end of 18 months and 30th month from the date of disbursement. The balance tenure for this loan is 21 months from the Balance Sheet. <sup>(1)</sup>	5,000,000,000
Term Loan taken from Bank. This loan is repayable at the end of 24 months and 35th month from the date of disbursement. The balance tenure for this loan is 35 months from the Balance Sheet. <sup>(1)</sup>	10,000,000,000
Term Loan taken from Bank. This loan is repayable in Quarterly Installment with moratorium of 18 months from the date of disbursement The balance tenure for this loan is 12 months from the Balance Sheet. <sup>(1) &amp; (2)</sup>	750,000,000
Term Loan of taken from Bank(s), These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loans are 46 months (average) from the Balance Sheet. <sup>(3), (4) &amp; *</sup>	22,693,510,000
Term Loan of taken from Bank. This loan are repayable at the end of 49th , 61th and 72th months from the date of disbursement The balance tenure for this loan is 44 months from the Balance Sheet. <sup>(3), (4) &amp; *</sup>	3,241,930,000
Term Loan of taken from Bank. This loan is repayable at the end of 3rd , 6th and 24th months from the date of disbursement The balance tenure for this loan is 5 months from the Balance Sheet. <sup>(3) &amp; *</sup>	187,034,422
Term Loan taken from Bank. This loan is repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for this loan is 58 months from the Balance Sheet. <sup>(3) &amp; *</sup>	1,431,947,880
Term Loan taken from Bank. This loan is repayable in yearly installment with the moratorium period of 3 years from the date of disbursement. The balance tenure for this loan is 60 months from the Balance Sheet. (3) & *	1,749,767,316
<b>Total</b>	<b>287,259,022,371</b>

<sup>(1)</sup> Linked to base rate / MCLR of respective lenders

<sup>(2)</sup> Loan taken other than from banks for ₹ 750,000,000

<sup>(3)</sup> Linked to Libor

<sup>(4)</sup> Includes External commercial borrowings from banks for ₹ 25,935,440,000

\* Secured by hypothecation of Loan Receivables(Current and Future) / Current Assets / Cash and Cash Equivalents of the Company.

**(ii) Term Loan from banks includes as at March 31, 2016\*:**

Particulars	As at March 31, 2016 Amount (₹)
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 6 months from the date of disbursement. The balance tenure for these loans are 70 months (average) from the Balance Sheet date. <sup>(1)</sup>	4,018,310,339
Term Loan taken from Bank(s). These loans are repayable in half yearly installment after the moratorium of 3 years from the date of disbursement. The balance tenure for these loans are 30 months (average) from the Balance Sheet date. <sup>(1)</sup>	2,500,000,000
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 1 year from the date of disbursement. The balance tenure for these loans are 33 months (average) from the Balance Sheet date. <sup>(1)</sup>	8,461,805,548
Term Loan taken from Bank(s). These loans are repayable in yearly installment from the date of disbursement. The balance tenure for these loans are 38 months (average) from the Balance Sheet date. <sup>(1)</sup>	17,200,000,000
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for these loans are 35 months (average) from the Balance Sheet date. <sup>(1)</sup>	105,013,300,004
Term Loan taken from Bank(s). These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loans are 13 months (average) from the Balance Sheet date. <sup>(1)</sup>	17,500,000,000
Term Loan taken from Bank(s). These loans are repayable in yearly installment after the moratorium period of 1 year from the date of disbursement. The balance tenure for these loans are 33 months (average) from the Balance Sheet date. <sup>(1)</sup>	18,083,333,333
Term Loan taken from Bank. This loan is repayable in monthly installment from the date of disbursement. The balance tenure for this loan is 73 months from the Balance Sheet date. <sup>(1)</sup>	500,000,000
Term Loan taken from Bank(s). These loans are repayable in quarterly installment from the date of disbursement. The balance tenure for these loans are 24 months (average) from the Balance Sheet date. <sup>(1)</sup>	20,437,349,108



## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (ii) Term Loan from banks includes as at March 31, 2016\*: (Contd.)

##### Particulars

As at  
March 31, 2016  
Amount (₹)

Term Loan taken from Bank. This loan is repayable in quarterly installment after the moratorium of 2 years from the date of disbursement. The balance tenure for this loan is 21 months from the Balance Sheet date. <sup>(1)</sup>	1,750,000,000
Term loan taken from Bank. This loan is repayable in equal half yearly installment in 24th, 30th and 36th months. The balance tenure for this loan is 34 months from the Balance Sheet date. <sup>(1)</sup>	1,500,000,000
Term loan taken from Bank. This loan is repayable in two equal installment at the end of 18th and 30th months. The balance tenure for this loan is 30 months from the Balance Sheet date. <sup>(1)</sup>	5,000,000,000
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 3 years from the date of disbursement. The balance tenure for these loans are 57 months (average) from the Balance Sheet date. <sup>(1)</sup>	24,900,000,000
Term Loan taken from Bank(s). These loans are repayable in quarterly Installments with moratorium of 18 months from the date of disbursement. The balance tenure for these loans are 21 months (average) from the Balance Sheet date. <sup>(1) &amp; (2)</sup>	3,642,857,142
Term Loan taken from Bank(s). These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loans are 12 months (average) from the Balance Sheet. <sup>(3), (4) &amp; *</sup>	12,043,446,125
Term Loan taken from Bank. This loan is repayable in equal installments at the 49th, 61st and 72nd month from the date of the first drawdown. The balance tenure for this loan is 56 months from the Balance Sheet date date. <sup>(3), (4) &amp; *</sup>	3,316,645,000
Term loan taken from Bank. The balance amount is payable after 24 months from the date of disbursement. The balance tenure for this loan is 17 months from the Balance Sheet. <sup>(3), (4) &amp; *</sup>	191,344,905
<b>Total</b>	<b>246,058,391,504</b>

(1) Linked to base rate / MCLR of respective lenders

(2) Includes Loan taken other than from banks for ₹ 1,500,000,000

(3) Linked to Libor

(4) Includes External commercial borrowings from banks for ₹ 13,266,580,000

\* Secured by hypothecation of Loan Receivables(Current and Future) / Current Assets / Cash and Cash Equivalents of the Company.

#### (iii) Subordinated Debt

##### Particulars

As at  
March 31, 2017  
Amount (₹)

10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on November 15, 2027	326,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 30, 2027	496,500,000
10.25% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 28, 2027	1,000,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 05, 2027	1,100,300,000
9.30% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 29, 2026	6,097,000,000
10.00% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on August 03, 2025	1,650,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on July 21, 2025	81,500,000
9.70% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 17, 2025	50,000,000
10.85% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on July 17, 2024	100,000,000
10.80 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on December 23, 2023	200,000,000
10.85 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on October 24, 2023	50,000,000
10.85 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on September 27, 2023	250,000,000
10.10 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on September 23, 2023	250,000,000
9.90 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 3, 2023	1,250,000,000
9.80 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on May 23, 2023	200,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 28, 2023	250,000,000

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(iii) Subordinated Debt (Contd.) Particulars	As at March 31, 2017 Amount (₹)
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 06, 2023	200,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on February 18, 2023	250,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on January 30, 2023	100,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on January 14, 2023	250,000,000
10.20% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on December 04, 2022	200,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on November 15, 2022	11,000,000
10.30% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on October 31, 2022	250,000,000
10.30% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on October 22, 2022	400,000,000
10.30% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on October 09, 2022	350,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 05, 2022	150,000,000
11.00% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 30, 2022	150,000,000
11.85% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on February 22, 2022	200,000,000
11.85% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on January 31, 2022	362,000,000
<b>Total</b>	<b>16,224,300,000</b>

(iii) Subordinated Debt Particulars	As at March 31, 2016 Amount (₹)
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on November 15, 2027	326,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 30, 2027	496,500,000
10.25% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 28, 2027	1,000,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 05, 2027	1,100,300,000
10.00% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on August 03, 2025	1,650,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on July 21, 2025	81,500,000
9.70% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 17, 2025	50,000,000
10.85% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on July 17, 2024	100,000,000
10.80 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on December 23, 2023	200,000,000
10.85 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on October 24, 2023	50,000,000
10.85 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on September 27, 2023	250,000,000
10.10 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on September 23, 2023	250,000,000
9.90 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 3, 2023	1,250,000,000
9.80 % Subordinated Debt of Face value of ₹ 100,000 each Redeemable on May 23, 2023	200,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 28, 2023	250,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 06, 2023	200,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on February 18, 2023	250,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on January 30, 2023	100,000,000
10.10% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on January 14, 2023	250,000,000
10.20% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on December 04, 2022	200,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on November 15, 2022	11,000,000
10.30% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on October 31, 2022	250,000,000
10.30% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on October 22, 2022	400,000,000
10.30% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on October 09, 2022	350,000,000
10.65% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 05, 2022	150,000,000
11.00% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 30, 2022	150,000,000
11.85% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on February 22, 2022	200,000,000
11.85% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on January 31, 2022	362,000,000
10.50% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on March 26, 2018	1,250,000,000
11.60% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on June 22, 2017	1,000,000
11.60% Subordinated Debt of Face value of ₹ 100,000 each Redeemable on May 31, 2017	150,000,000
<b>Total</b>	<b>11,528,300,000</b>

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(iv) Current Investments (a) Investment in Mutual Funds (Unquoted) Particulars	Quantity (No. of Units)	NAV(₹)	As at March 31, 2017 Amount (₹)
Axis Dynamic Bond Fund - Direct Plan - Growth Plan	28,810,971.22	17.79	512,642,254
Axis Short Term Fund - Direct Plan - Growth	184,485,735.20	18.40	3,394,777,359
Axis Treasury Advantage Fund Direct Growth	1,108,210.77	1,846.10	2,045,870,112
Birla Sun Life Cash Plus - Growth-Direct Plan	11,483,890.97	261.31	3,000,845,214
Birla Sun Life Floating Rate Fund - Long Term - Growth-Direct Plan	13,159,110.95	200.65	2,640,340,082
DHFL Pramerica Insta Cash Plus Fund Direct Plan - Annual Bonus	22,693,553.30	127.75	2,898,994,774
DHFL Pramerica Short Term Floating Rate Fund - Annual Bonus	179,432,533.60	12.37	2,219,759,873
DHFL Pramerica Ultra Short Term Fund Direct Plan - Annual Bonus	100,418,410.04	13.23	1,328,455,230
HDFC Medium Term Opportunities Fund - Direct Plan - Growth Option	130,927,406.38	18.18	2,379,932,929
HSBC Income Fund - Short Term Plan - Growth Direct Plan	9,287,983.21	27.93	259,397,581
ICICI Prudential Liquid - Direct Plan Growth	12,466,491.11	240.72	3,000,900,081
ICICI Prudential Flexible Income - Direct Plan - Growth	806,920.15	312.57	252,222,016
ICICI Prudential Short Term - Direct Plan - Growth Option	44,692,201.50	35.03	1,565,603,572
IDBI Liquid Fund Direct Plan - Bonus Plan	1,405,353.08	1,305.89	1,835,232,033
Indiabulls Gilt Fund - Direct Plan Growth	28,258.34	1,546.74	43,708,173
Indiabulls Liquid Fund - Direct Plan Growth	9,128,115.17	1,588.86	14,503,266,953
Indiabulls Short Term Fund Direct - Plan Growth	2,613,270.46	1,412.93	3,692,377,902
Indiabulls Ultra Short Term Fund - Direct Plan Growth	2,629,840.73	1,611.02	4,236,737,578
Invesco India Short Term Fund - Direct Plan - Growth	584,201.81	2,240.26	1,308,762,133
Invesco India Ultra Short Term Fund - Direct Plan Bonus	2,465,957.39	1,270.32	3,132,555,725
Invesco India Ultra Short Term Fund - Direct Plan Growth	1,060,261.32	2,286.56	2,424,356,112
JM Arbitrage Advantage Fund - Quarterly Dividend	341,626,312.06	11.73	4,005,636,834
JM Arbitrage Advantage Fund(Direct) - Growth Option	87,989,640.37	22.42	1,972,718,938
JM Balanced Fund - (Direct) Quarterly Dividend	255,706,897.04	19.78	5,056,655,030
JM Money Manager Fund - Super Plus Plan - (Direct) Growth Option	39,973,191.33	23.30	931,331,387
Kotak Bond (Short Term) - Direct Plan - Growth	50,597,970.00	31.64	1,600,960,249
L&T Banking and PSU Debt Fund Direct Plan - Growth	35,167,679.50	14.72	517,713,960
L&T Cash Fund Direct Plan - Growth	1,182,109.33	1,309.89	1,548,436,738
L&T Ultra Short Term Fund Direct Plan - Bonus	108,049,808.10	14.67	1,585,533,689
LIC MF Liquid Fund - Direct - Growth Plan	169,592.59	2,949.03	500,132,875
Reliance Banking & PSU Debt Fund-Direct Growth Plan	65,640,917.92	11.83	776,656,777
Reliance Dynamic Bond Fund-Direct Plan Growth Plan - Growth	88,380,992.78	23.00	2,032,621,424
Reliance Liquid Fund - Cash Plan - Direct Growth Plan	762,097.68	2,625.26	2,000,705,854
Reliance Medium Term Fund - Direct Growth Plan - Growth Option	132,317,101.94	34.69	4,590,040,571
Reliance Money Manager Fund - Direct Bonus Plan Bonus Option	318,752.46	1,322.43	421,527,334
Reliance Short Term Fund-Direct Growth Plan Growth	42,445,405.58	31.60	1,341,304,528
SBI Premier Liquid Fund - Direct Plan - Growth	3,135,275.13	2,552.32	8,002,217,579
SBI Short Term Debt Fund - Direct Plan - Growth	55,319,427.69	19.23	1,063,858,978
Sundaram Money Fund Direct Plan Bonus (Bonus Units)	202,985,671.10	12.27	2,491,263,440
Sundaram Select Debt Short Term Asset Plan Direct Plan-GR	53,536,061.78	29.11	1,558,284,857
Sundaram Ultra Short-Term Fund Direct Plan - Growth	31,369,174.86	22.71	712,478,658
Tata Ultra Short Term Fund Direct Plan - Growth	615,102.51	2,481.54	1,526,404,261
<b>Total (A)</b>			<b>100,913,221,647</b>

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(iv) Current Investments (a) Investment in Mutual Funds (Unquoted) Particulars	Quantity (No. of Units)	NAV(₹)	As at March 31, 2016 Amount (₹)
Axis Liquid Fund - Direct Growth	893,860.87	1,679.4281	1,501,175,069
Birla Sun Life Cash Plus - Growth-Direct Plan	1,028,472.23	243.3140	250,241,691
DHFL Pramerica Insta Cash Plus Fund Direct Plan - Annual Bonus	22,693,553.30	118.9917	2,700,344,486
DHFL Pramerica Short Term Floating Rate Fund - Annual Bonus	179,432,533.60	11.4506	2,054,610,169
DHFL Pramerica Ultra Short Term Fund Direct Plan - Annual Bonus	100,418,410.04	12.2274	1,227,856,067
HDFC Liquid Fund - Direct Plan -Growth Option	167,355.05	2,990.1978	500,424,696
ICICI Prudential Liquid - Direct Plan Growth	7,139,921.49	224.2869	1,601,390,857
IDBI Liquid Fund Direct Plan - Bonus Plan	1,405,353.08	1,217.6541	1,711,233,936
Indiabulls Gilt Fund - Direct Plan Growth (GFDG)	29,721.36	1,351.6985	40,174,319
Indiabulls Income Fund - Direct Plan - Growth (IFDG)	163,628,369.75	12.8302	2,099,384,710
Indiabulls Liquid Fund - Direct Plan Growth	9,493,792.18	1,477.0680	14,022,976,632
Indiabulls Short Term Fund - Direct Plan Growth (STDG)	1,485,042.79	1,293.5393	1,920,961,206
Indiabulls Ultra Short Term Fund - Direct Plan Growth (USG1)	2,375,793.19	1,477.7521	3,510,833,380
JM Arbitrage Advantage Fund - (Direct) Annual Bonus Option	296,748,573.86	10.7604	3,193,133,354
JM Balanced Fund - Quarterly Dividend (576)	405,870,040.41	11.2404	4,562,141,602
JM Income Fund (Direct) - Growth Option	209,986,287.96	43.5976	9,154,898,188
Kotak Liquid Scheme Plan A - Direct Plan - Growth	244,238.51	3,074.0502	750,801,444
L&T Cash Fund Direct Plan - Growth	1,182,109.33	1,225.5219	1,448,700,873
L&T Ultra Short Term Fund Direct Plan - Bonus	108,049,808.10	13.5354	1,462,497,373
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth Plan - Growth Option	514,681.93	3,695.0156	1,901,757,742
Reliance Money Manager Fund - Direct Bonus Plan Bonus Option	318,752.46	1,219.7160	388,787,472
Reliance Money Manager Fund-Direct Growth Plan Growth	1,208,529.00	2,099.6963	2,537,543,866
Invesco Liquid Fund - Direct Plan - Growth	479,942.00	2,085.1074	1,000,730,616
Invesco Ultra Short Term Fund - Direct Plan Bonus	2,465,957.39	1,170.9846	2,887,598,122
SBI Magnum Income Fund -Regular Plan - Growth	6,926,670.80	35.8163	248,087,719
SBI Premier Liquid Fund - Direct Plan - Growth	420,548.56	2,380.9577	1,001,308,327
Sundaram Money Fund Direct Plan Bonus (Bonus Units)	202,985,671.09	11.4358	2,321,303,538
Taurus Liquid Fund - Direct Plan - Super Institutional Growth	3,713,952.47	1,642.4345	6,099,923,670
		<b>Total (A)</b>	<b>72,100,821,124</b>

(b) Investment in Bonds (Quoted) Particulars	Quantity	Face Value (₹)	As at March 31, 2017 Amount (₹)
AXIS BANK LIMITED SR-26 8.75 NCD FVRS10LAC	1,000	1,000,000,000	982,676,000
HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED 7.07 NCD 01OT25 FVRS10LAC LOA UPTO 28DC15	2,000	2,000,000,000	2,101,596,000
HOUSING DEVELOPMENT FINANCE CORPORATION LTD SR-P-004 8.72 NCD 15 AP19FVRS1CRLOA UPTO 08MR16	50	500,000,000	510,600,500
HOUSING DEVELOPMENT FINANCE CORPORATION LTD SR-Q-002 7.95 NCD 23SP19FVRS1CRLOA UPTO25AG16	50	500,000,000	504,010,500
HOUSING DEVELOPMENT FINANCE CORPORATION LTD SR-Q-010 7.8 NCD 11NV19FVRS1CR	100	1,000,000,000	1,004,834,000

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(b) Investment in Bonds (Quoted) (Contd.) Particulars	Quantity	Face Value (₹)	As at March 31, 2017 Amount (₹)
INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED 7.4/7.9 BD 22JN33 FVRS1000 LOA UPTO 16AP13	537,000	537,000,000	596,595,723
INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED 7.41 BD 15NV32 FVRS10LAC LOA UPTO 07FB13	50	50,000,000	55,549,450
INDIAN RAILWAY FINANCE CORPORATION LIMITED 7.18/7.68 BD 19FB23 FVRS1000 LOA UPTO 18FB13	350,000	350,000,000	365,433,600
INDIAN RAILWAY FINANCE CORPORATION LIMITED 7.34/7.84 BD 19FB28 FVRS1000 LOA UPTO 18FB13	950,000	950,000,000	1,027,972,200
INDIAN RAILWAY FINANCE CORPORATION LIMITED 8 / 8.15 BD 23FB22 FVRS1000 LOA UPTO 22FB12	1,100,000	1,100,000,000	1,178,445,400
INDIAN RAILWAY FINANCE CORPORATION LIMITED 8.1 /8.3 BD 23FB27 FVRS1000 LOA UPTO 22FB12	500,000	500,000,000	566,336,000
INDIAN RAILWAY FINANCE CORPORATION LIMITED SR-79 7.55 BD 08NV21 FVRS1LAC LOA UPTO 07DC11	1,000	100,000,000	105,284,200
INDIAN RAILWAY FINANCE CORPORATION LIMITED SR-79 A 7.77 BD 08NV26 FVRS1LAC LOA UPTO 07DC11	2,500	250,000,000	276,567,750
LIC HOUSING FINANCE LIMITED 8.45 NCD 07SP18 FVRS10LAC LOA UPTO 09NV15	250	250,000,000	252,943,000
LIC HOUSING FINANCE LIMITED TRANCHE-326 OPT 2 7.65 LOA 17NV20 FVRS10LAC	1,500	1,500,000,000	1,497,385,500
NATIONAL HIGHWAYS AUTHORITY OF INDIA 8.3 BD 25JN27 FVRS1000	325,000	325,000,000	372,391,175
NATIONAL HOUSING BANK 6.82 BD 26MR23 FVRS10000 LOA UPTO 28MY13	25,000	250,000,000	256,896,250
POWER FINANCE CORPORATION LTD. SR-I 8.2 BD 01FB22 FVRS1000 LOA UPTO 08MR12	370,000	370,000,000	399,062,390
POWER FINANCE CORPORATION LTD. SR-II 8.3 BD 01FB27 FVRS1000 LOA UPTO 08MR12	232,000	232,000,000	265,877,104
RURAL ELECTRIFICATION CORPORATION LIMITED SR-2 8.12/8.32 BD 27MR27 FVRS1000	250,000	250,000,000	283,770,000
RURAL ELECTRIFICATION CORPORATION LIMITED SR-I 7.93/8.13 BD 27MR22 FVRS1000	400,000	400,000,000	427,874,400
U.P. POWER CORPORATION LIMITED SR-IV-A 8.48 BD 15MR21 FVRS10LAC	450	450,000,000	453,650,850
U.P. POWER CORPORATION LIMITED SR-IV-B 8.48 BD 15MR22 FVRS10LAC	450	450,000,000	454,365,900
U.P. POWER CORPORATION LIMITED SR-IV-C 8.48 BD 15MR23 FVRS10LAC	450	450,000,000	453,412,350
U.P. POWER CORPORATION LIMITED SR-IV-D 8.48 BD 15MR24 FVRS10LAC	450	450,000,000	453,368,700
U.P. POWER CORPORATION LIMITED SR-IV-E 8.48 BD 14MR25 FVRS10LAC	450	450,000,000	453,440,250
U.P. POWER CORPORATION LIMITED SR-IV-F 8.48 BD 13MR26 FVRS10LAC	450	450,000,000	452,020,950
U.P. POWER CORPORATION LIMITED SR-IV-G 8.48 BD 15MR27 FVRS10LAC	450	450,000,000	452,132,550
YES BANK LIMITED 9.5 BD FVRS10LAC	1,250	1,250,000,000	1,250,303,750
		<b>Total (B)</b>	<b>17,454,796,442</b>

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (b) Investment in Bonds (Quoted) (Contd.)

Particulars	Quantity	Face Value (₹)	As at March 31, 2016 Amount (₹)
HOUSING DEVELOPMENT FINANCE CORPORATION LTD SR-I 028 NCD 16JN17 FVRS10LAC	300	300,000,000	426,283,200
HOUSING DEVELOPMENT FINANCE CORPORATION LTD SR-I 031 NCD 24JN17 FVRS 10 LAC	1,000	1,000,000,000	1,458,594,000
IL&FS FINANCIAL SERVICES LIMITED SR-III 9.03 NCD 22MR26 FVRS 1000	650,000	650,000,000	656,500,000
INDIA INFRADEBT LIMITED SR-II MRCH III 2016 8.65 NCD 21MR26 FVRS 10 LAC	150	150,000,000	151,350,000
		<b>Total (B)</b>	<b>2,692,727,200</b>

#### (c) Investment in Commercial papers / Certificate of Deposits (Quoted)

Particulars	Quantity	Face Value (₹)	As at March 31, 2017 Amount (₹)
AXIS BANK LIMITED CD 23JUN17	15,000	500,000,000	1,476,414,000
AXIS BANK LIMITED CD 21JUL17	5,000	250,000,000	481,866,000
AXIS BANK LIMITED CD 09AUG17	2,500	1,000,000,000	240,174,000
AXIS BANK LIMITED CD 18AUG17	10,000	250,000,000	975,875,000
AXIS BANK LIMITED CD 20SEP17	2,500	250,000,000	242,639,750
AXIS BANK LIMITED CD 27SEP17	2,500	1,000,000,000	242,286,500
IDFC BANK LIMITED CD 25SEP17	20,000	2,000,000,000	1,938,178,000
INDUSIND BANK LIMITED CD 17NOV17	5,000	500,000,000	472,416,000
INDUSIND BANK LIMITED CD 26SEP17	10,000	1,500,000,000	969,308,000
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT CD 20FEB18	10,000	1,000,000,000	941,499,000
		<b>Total (C)</b>	<b>7,980,656,250</b>

#### (c) Investment in Commercial papers / Certificate of Deposits (Quoted)

Particulars	Quantity	Face Value (₹)	As at March 31, 2016 Amount (₹)
ANDHRA BANK CD 10MAR17	20,000	2,000,000,000	1,861,410,000
ANDHRA BANK CD 14MAR17	20,000	2,000,000,000	1,854,190,000
BANK OF MAHARASHTRA CD 06MAR17	5,000	500,000,000	464,884,000
BANK OF MAHARASHTRA CD 10MAR17	5,000	500,000,000	463,922,500
CORPORATION BANK CD 09MAR17	17,500	1,750,000,000	1,624,805,000
CORPORATION BANK CD 14MAR17	2,500	250,000,000	231,373,000
DENA BANK CD 06MAR17	5,000	500,000,000	464,957,000
DENA BANK CD 14MAR17	5,000	500,000,000	462,779,000
HOUSING DEVELOPMENT FINANCE CORPORATION LTD 354D CP 27JAN17	1,000	500,000,000	464,254,000
HOUSING DEVELOPMENT FINANCE CORPORATION LTD 354D CP 27JAN17	1,000	500,000,000	464,687,000
HOUSING DEVELOPMENT FINANCE CORPORATION LTD 364D CP 06FEB17	3,500	1,750,000,000	1,620,908,722
HOUSING DEVELOPMENT FINANCE CORPORATION LTD 364D CP 10AUG16	1,500	750,000,000	726,320,250



## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (c) Investment in Commercial papers/ Certificate of Deposits (Quoted) (Contd.)

Particulars	Quantity	Face Value (₹)	As at March 31, 2016 Amount (₹)
HOUSING DEVELOPMENT FINANCE CORPORATION LTD 364D CP 13FEB17	1,000	500,000,000	462,016,000
HOUSING DEVELOPMENT FINANCE CORPORATION LTD 364D CP 16FEB17	2,500	1,250,000,000	1,155,455,000
HOUSING DEVELOPMENT FINANCE CORPORATION LTD 364D CP 16FEB17	500	250,000,000	231,612,250
IDBI BANK LIMITED CD 04APR16	30,000	3,000,000,000	2,995,569,000
IDBI BANK LIMITED CD 15FEB17	10,000	1,000,000,000	924,853,000
IDBI BANK LIMITED CD 27FEB17	15,000	1,500,000,000	1,393,899,000
IDBI BANK LIMITED CD 28FEB17	15,000	1,500,000,000	1,398,874,500
SYNDICATE BANK CD 04APR16	20,000	2,000,000,000	1,997,154,000
VIJAYA BANK CD 10MAR17	20,000	2,000,000,000	1,853,264,000
		<b>Total (C)</b>	<b>23,117,187,222</b>

#### (d) Investments in Pass Through Certificates/Bonds/Other Long Term investment

Particulars	Quantity	Face Value (₹)	As at March 31, 2017 Amount (₹)
INNOVATION TRUST XVI DEC 13 SR-A PTC 30DC13	159	100,006	7,418,635
INNOVATION TRUST XIX MAR 14 SR-A PTC 20MR14	39	1,000,117	10,025,935
INNOVATION TRUST XX MAR 14 SR-A PTC 20MR14	40	1,000,213	22,359,769
INNOVATION TRUST XXII FEB 15	6	1,000,150	4,337,446
Indiabulls Alternate Investment Fund- IREF	10,000,000	100	1,002,037,247
HDFC Charity Fund for Cancer Cure - Debt Plan - Direct Option - 100% Dividend Donation*	20,000,000	10	200,000,000
		<b>Total (D)</b>	<b>1,246,179,032</b>

\*Quoted

#### (d) Investments in Pass Through Certificates/Bonds/Other Long Term investment

Particulars	Quantity	Face Value (₹)	As at March 31, 2016 Amount (₹)
INNOVATION TRUST XVI DEC 13 SR-A PTC 30DC13	159	100,006	9,121,948
INNOVATION TRUST XIX MAR 14 SR-A PTC 20MR14	39	1,000,117	15,862,974
INNOVATION TRUST XX MAR 14 SR-A PTC 20MR14	40	1,000,213	27,441,446
INNOVATION TRUST XXII FEB 15	6	1,000,150	5,126,668
Indiabulls Alternate Investment Fund- IREF	4,600,000	100	462,037,248
		<b>Total (D)</b>	<b>519,590,284</b>

	<b>As at March 31, 2017</b>
<b>Total (a)+(b)+(c)+(d)</b>	<b>127,594,853,371</b>

	<b>As at March 31, 2016</b>
<b>Total (a)+(b)+(c)+(d)</b>	<b>98,430,325,830</b>

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(e) Additional disclosures required by the NHB notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 for Investment are as follows:-

**Clause 3.3**

Amount(₹ In crores)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
<b>Value of Investments</b>		
(i) Gross value of Investments		
(a) In India	13,506.88	10,584.65
(b) Outside India	663.31	663.31
(ii) Provisions for Depreciation		
(a) In India	5.10	-
(b) Outside India	-	-
(iii) Net value of Investments		
(a) In India	13,501.78	10,584.65
(b) Outside India	663.31	663.31
<b>Movement of provisions held towards depreciation on investments</b>		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	5.10	-
(iii) Less: Write-off / Written-back of excess provisions during the year	-	-
(iv) Closing balance	5.10	-

(f) Additional disclosures required by the NHB notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 are as follows:-

**Clause 5.5 Overseas Assets**

Amount(₹ In crores)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Investment in shares of OakNorth Holdings Limited	663.31	663.31
Bank Balances	0.11	0.15

(g) Additional disclosures required by the NHB notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 are as follows:-

**Clause 5.6 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)**

Name of the SPV sponsored	
Domestic	Overseas
None	None

**(29) CONTINGENT LIABILITY AND COMMITMENTS:**

- (a) Demand pending u/s 143(3) of the Income Tax Act,1961
- For ₹ 2,414,210 with respect to FY 2007-08 (Previous Year ₹ 2,414,210) against disallowance U/s 14A of the Income Tax Act,1961, against which appeal is pending before High Court.
  - For ₹ 12,301,239 with respect to FY 2008-09 (Previous Year ₹ 12,301,239/-) against disallowance u/s 14A of the Income Tax Act,1961, against which appeal is pending before Supreme Court.
  - For ₹ 12,737,519 with respect to FY 2010-11 (Previous Year ₹ 12,737,519/-) against disallowance U/s 14A of the Income Tax Act,1961, against which the department has filed appeal before the ITAT against the order of CIT (Appeal).

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

- (iv) For ₹ Nil with respect to FY 2011-12 (Previous Year ₹ 11,625,706) against disallowances u/s 14A and 32(1) of the Income Tax Act, 1961 against which appeal was pending before CIT (Appeal).
- (v) For ₹ 764,126 with respect to FY 2012-13 (Previous Year ₹ NIL) against disallowances u/s 14A and 32(1) of the Income Tax Act, 1961 against which appeal is pending before CIT (Appeal).
- (b) (i) Demand pending u/s of 25, 55, 56 & 61 of The Rajasthan Value Added Tax Act, 2003 for ₹ 14,505,873 (Including interest & Penalty) with respect to FY 2007-08 to FY 2012-13 (Previous Year ₹ 14,505,873) against which appeal was pending before Rajasthan High Court. The Company has paid tax along with interest for ₹ 6,231,069 (Previous Year ₹ 6,231,069) under protest. Further the company has deposited ₹ 2,068,701/- (Previous Year ₹ NIL) on May 30, 2016. Further, the company has opted for New Amnesty Scheme 2016 and accordingly deposited 25% of the disputed demand amount and withdrawn appeal before the Hon'ble High Court.
- (ii) Demand pending u/s of 25, 55 & 61 of The Rajasthan Value Added Tax Act, 2003 for ₹ Nil (Including interest & Penalty) with respect to FY 2012-13 to FY 2014-15 (Previous Year ₹ 1,240,200) against which appeal was pending before The Appellate Authority-II, Commercial Taxes, Jaipur. The Company has paid tax along with interest for ₹ Nil (Previous Year ₹ 472,200 under protest). Further, the company has opted for New Amnesty Scheme 2016 and accordingly deposited 25% of the disputed demand amount for ₹ 192,000 (previous Year ₹ Nil) and withdrawn our appeal before the Appellate Authority-II.
- (c) Corporate counter guarantees outstanding in respect of securitisation/ assignment agreements entered by the Company with different assignees as at March 31, 2017 is ₹ 1,879,775,887 (Previous Year ₹ 1,879,775,887) against which collateral deposit of ₹ 87,150,746 (Previous Year ₹ 81,059,574) for the year ended March 31, 2017 is being provided to the assignees by the Company in the form of Fixed Deposit Receipts. The Company does not anticipate any losses on account of the said corporate guarantees, in the event of the rights under guarantee being exercised by the assignees.
- (d) The Company in the ordinary course of business, has court cases pending, however, the management does not expect any unfavourable outcome resulting in material adverse effect on the financial position of the Company.
- (e) Capital commitments for acquisition of fixed assets at various branches as at the year end (net of capital advances paid) ₹ 639,100,865 (Previous Year ₹ 74,153,763).
- (f) Contingent liability with respect to Security deposit to the Bombay Stock Exchange (Representing 1% of the public issue amount i.e. ₹ 700,000,000) against which security deposit provided by the company to the exchange is ₹ 30,000,000 and the balance is in the form of a bank guarantee).

### (30) SEGMENT REPORTING:

Segment information for the year ended March 31, 2017, as per Accounting Standard (AS)-17 "Segment Reporting" :

(a) Primary segment information (by business segments) Amount (₹)

Particulars	Investing and financing related activities	Fee Income	Total
Segment Revenue#	111,863,073,686 87,720,391,933	586,839,216 584,488,210	112,449,912,902 88,304,880,143
Segment Result	36,683,863,660 30,349,439,983	582,890,250 580,528,425	37,266,753,910 30,929,968,408
Less: Unallocated expenditure net of other unallocated income			458,928,692 397,707,227
Less: Current taxes (Net of MAT Credit entitlement) and Deferred tax (charge)			8,383,998,238 7,591,022,620
Profit after tax			28,423,826,980 22,941,238,561
Segment Assets	998,438,714,082 747,868,537,353	41,094,197 13,331,824	998,479,808,279 747,881,869,177

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

 (a) Primary segment information (by business segments) (Contd.) Amount (₹)

Particulars	Investing and financing related activities	Fee Income	Total
Unallocated Corporate Assets			4,423,383,523 <i>3,127,956,047</i>
Total Assets			1,002,903,191,802 <i>751,009,825,224</i>
Segment Liabilities	882,279,026,420 <i>644,075,953,484</i>	- <i>192,000,000</i>	882,279,026,420 <i>644,267,953,484</i>
Unallocated Corporate Liabilities			1,930,997,444 <i>1,703,596,508</i>
Total Liabilities			884,210,023,864 <i>645,971,549,992</i>
Capital Expenditure	1,000,307,115 <i>(916,256,197)</i>	- -	1,000,307,115 <i>(916,256,197)</i>
Unallocated Capital Expenditure			163,249,026 <i>132,820,587</i>
Total Capital Expenditure			1,163,556,141 <i>(783,435,610)</i>
Depreciation / Amortisation	108,282,269 <i>111,032,375</i>	18,966 <i>19,018</i>	108,301,235 <i>111,051,393</i>
Unallocated Depreciation			98,799,269 <i>82,663,480</i>
Total Depreciation / Amortisation			207,100,504 <i>193,714,873</i>
Non-Cash expenditure other than depreciation	7,100,859,000 <i>4,541,559,262</i>	- -	7,100,859,000 <i>4,541,559,262</i>
Unallocated Non-Cash expenditure other than depreciation			2,738 <i>270,355</i>
Total Non-Cash Expenditure other than depreciation			7,100,861,738 <i>4,541,829,617</i>

(Figures in respect of previous years are stated in italics)

# Includes Dividend Income on units of Mutual Fund, Dividend Income from Subsidiary Company, Gain on Mutual Fund Investments and Profit on sale of current investments included in other income.

- b) The Company operates solely in one Geographic segment namely "Within India" and hence no separate information for Geographic segment wise disclosure is required.
- c) The Company's primary business segment is reflected based on principal business activities carried on by the Company. The Company's primary business comprises of investing and financing related activities (investing in various subsidiaries, financing of loans and credit activities) and fee income which mainly comprises of financial service related fee from services income, commission on insurance and other fee based activities.
- d) Segment revenue, results, assets and liabilities include amounts identifiable to each segment and amounts allocated on a reasonable basis.
- e) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information as disclosed in Significant Accounting Policies (Refer Note 1) above.

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (31) Disclosures in respect of Related Parties as per Accounting Standard (AS) – 18 ‘Related Party Disclosures’.

##### (a) Detail of related party

Nature of relationship	Related party
Subsidiary Companies	Indiabulls Asset Reconstruction Company Limited (till October 2, 2016) <sup>(Refer Note 15(2))</sup> (Subsidiary of Indiabulls Advisory Services Limited)
	Indiabulls Commercial Credit Limited <sup>(Refer Note 15(3))</sup> (formerly Indiabulls Infrastructure Credit Limited)
	Indiabulls Insurance Advisors Limited
	Indiabulls Life Insurance Company Limited
	Indiabulls Capital Services Limited
	Indiabulls Collection Agency Limited
	Ibulls Sales Limited
	Indiabulls Advisory Services Limited
	Nilgiri Financial Consultants Limited (Subsidiary of Indiabulls Insurance Advisors Limited)
	Indiabulls Asset Holding Company Limited
	Indiabulls Asset Management Company Limited
	Indiabulls Trustee Company Limited
	Indiabulls Holdings Limited
	Indiabulls Venture Capital Management Company Limited (Subsidiary of Indiabulls Holdings Limited)
	Indiabulls Venture Capital Trustee Company Limited (Subsidiary of Indiabulls Holdings Limited)
Indiabulls Asset Management (Mauritius) (Incorporate on July 18, 2016) (Subsidiary of Indiabulls Commercial Credit Limited)	
Associate Company	OakNorth Holdings Limited(W.e.f. November 13, 2015)
Key Management Personnel	Mr. Sameer Gehlaut, Chairman & Executive Director
	Mr. Gagan Banga, Vice-Chairman, Managing Director & CEO
	Mr. Ashwini Omprakash Kumar, Deputy Managing Director
	Mr. Ajit Kumar Mittal, Executive Director
	Mr. Sachin Chaudhary, Executive Director(from October 21, 2016)

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (b) Significant transactions with related parties during the year ended March 31, 2017:

Amount (₹)

Nature of Transactions	Subsidiary Companies	Key Management Personnel	Total
<b>Finance</b>			
Loan given (Maximum balance outstanding during the year)	14,500,000,000	-	14,500,000,000
	<i>7,921,500,000</i>	-	<i>7,921,500,000</i>
Issue of Equity Shares Under ESOP Schemes(Based on the Exercise price)	-	185,637,270	185,637,270
	-	<i>37,196,510</i>	<i>37,196,510</i>
<b>Income</b>			
Income from Service Fee	41,250,000	-	41,250,000
	<i>1,000,000</i>	-	<i>1,000,000</i>
Interest Income on Loan	366,935,366	1,048,976	367,984,342
	<i>314,908,106</i>	-	<i>314,908,106</i>
Dividend Income	30,404,000	-	30,404,000
	-	-	-
<b>Other receipts and payments</b>			
Sale of Investment in Commercial paper	-	-	-
	<i>793,606,400</i>	-	<i>793,606,400</i>
Investment in Alternative Investment Fund	-	-	-
	<i>52,861,003</i>	-	<i>52,861,003</i>
Salary / Remuneration (including perquisite and retirement benefits)	-	658,440,029	658,440,029
	-	<i>627,275,385</i>	<i>627,275,385</i>
Employee Benefits Transfer Received / (Paid)(net)	-	-	-
	<i>4,875,319</i>	-	<i>4,875,319</i>

(Figures in respect of previous years are stated in italics)

#### (c) Outstanding balance as at March 31, 2017:

Amount (₹)

Nature of Transactions	Subsidiary Companies	Key Management Personnel	Total
Loans	-	23,519,547	23,519,547
	<i>1,044,700,000</i>	<i>N.A.</i>	<i>1,044,700,000</i>
Assignment (Payable)/ Receivable (Net)	(4,641,353)	-	(4,641,353)
	<i>(2,135,435)</i>	-	<i>(2,135,435)</i>

(Figures in respect of previous years are stated in italics)

#### (d) Statement of Partywise transactions during the Year:

Particulars	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
Loan Given (Maximum balance outstanding during the year)		
Subsidiaries		
– Indiabulls Commercial Credit Limited	14,500,000,000	7,921,500,000
Income from Service Fee		
Subsidiaries		
– Indiabulls Commercial Credit Limited	1,250,000	1,000,000
– Bulls Sales Limited	40,000,000	-
Interest Income on Loan		
Subsidiaries		



## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (d) Statement of Partywise transactions during the Year: (Contd.)

Particulars	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
— Indiabulls Commercial Credit Limited	366,935,366	314,908,106
Key Management Personnel		
— Sachin Chaudhary	1,048,976	N.A.
Dividend Income		
Subsidiaries		
— Indiabulls Asset Reconstruction Company Limited	7,301,000	-
— Indiabulls Advisory Services Limited	23,103,000	-
Sale of Investment in Commercial Paper		
Subsidiaries		
— Indiabulls Commercial Credit Limited	-	793,606,400
Investment in Alternative Investment Fund		
Subsidiaries		
— Indiabulls Asset Management Company Limited	-	52,861,003
Salary / Remuneration/Retiral Benefits		
Remuneration to Directors		
— Sameer Gehlaut	250,210,428	250,210,428
— Gagan Banga	123,493,354	103,667,684
— Ajit Kumar Mittal	28,148,380	23,626,140
— Ashwini Omprakash Kumar	56,993,630	46,336,852
— Sachin Chaudhary*	27,871,560	N.A.
Retiral Benefits		
— Sameer Gehlaut	160,441,222	158,739,862
— Gagan Banga	6,646,356	103,233
— Ajit Kumar Mittal	381,622	60,874
— Ashwini Omprakash Kumar	4,050,001	916,884
— Sachin Chaudhary*	203,476	N.A.
Issue of Equity Shares Under ESOPS Schemes		
— Gagan Banga	107,756,790	-
— Ajit Kumar Mittal	36,006,730	37,196,510
— Sachin Chaudhary	41,873,750	N.A.
Employee Benefits Transfer Received / (Paid) (net)		
— Indiabulls Commercial Credit Limited	-	4,875,319

\* Salary and retiral benefits has only been considered from October 21, 2016 onwards (date of appointment as a director)

#### (e) Breakup of outstanding Balances

Particulars	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
Loan given		
Subsidiaries		
— Indiabulls Commercial Credit Limited	-	1,044,700,000
Key Management Personnel		
— Sachin Chaudhary	23,519,547	N.A.
Assignment (Payable)		
Subsidiaries		
— Indiabulls Commercial Credit Limited	(4,641,353)	(2,135,435)

Related Party relationships as given above are as identified by the Company.

## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

**(32) (a) Earning in Foreign Currency:**

Particulars	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
Earning from Exhibition	2,940,865	-
<b>Total</b>	<b>2,940,865</b>	<b>-</b>

**(b) Expenditure in Foreign Currency:**

Particulars	For the Year ended March 31, 2017 Amount (₹)	For the Year ended March 31, 2016 Amount (₹)
Legal & Professional Charges*	83,164,727	31,653,989
Travelling & Conveyance	7,346,335	3,029,251
Direct Selling Agents Commission	1,791,526	1,698,643
Interest on Loans	937,766,410	840,214,935
Processing Fees	127,704,423	38,954,081
Overseas Representative Office Expenses	7,746,187	5,065,034
Advertisement	1,605,884	2,371,674
Rent and Other Charges	3,700,735	3,990,299
Salaries	44,858,625	43,144,683
Recruitment and Training	-	1,715,434
Miscellaneous Expenses	516,181	282,863
<b>Total</b>	<b>1,216,201,033</b>	<b>972,120,886</b>

\* Out of above an amount of ₹ 77,261,375 (Previous Year ₹ 18,491,904) has been adjusted against securities premium account as share issue expenses for Qualified Institutional Placement of equity Shares/Debtenture issue.

**(c) Remittances during the year in foreign currency on account of dividends:**

(i) Remittance during the Financial Year 2016-17

Pertains to Financial Year	Interim	No. of Shareholders	No. of Shares	Amount (₹)
2016-17	1st Interim 2016-17	1	3,321,859	29,896,731
2016-17	2nd Interim 2016-17	1	3,316,588	29,849,292
2016-17	3rd Interim 2016-17	1	3,335,398	30,018,582
		<b>Total</b>	<b>9,973,845</b>	<b>89,764,605</b>

(ii) Remittance during the Financial Year 2015-16

Pertains to Financial Year	Interim	No. of Shareholders	No. of Shares	Amount (₹)
2015-16	1st Interim 2015-16	1	849,061	7,641,549
2015-16	2nd Interim 2015-16	1	721,813	6,496,317
2015-16	3rd Interim 2015-16	1	1,234,272	11,108,448
2015-16	4th Interim 2015-16	1	1,723,626	15,512,634
2015-16	5th Interim 2015-16	1	3,019,521	27,175,689
		<b>Total</b>	<b>7,548,293</b>	<b>67,934,637</b>

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (33) EARNINGS PER EQUITY SHARE

Earnings Per Equity Share (EPS) as per Accounting Standard (AS)-20 "Earnings Per Share";:

The basic earnings per share is computed by dividing the net profit attributable to Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of Equity Shares and also the weighted average number of Equity Shares that could have been issued on the conversion of all dilutive potential Equity Shares. The dilutive potential Equity Shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential Equity Shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The number of Equity Shares and potential diluted Equity Shares are adjusted for potential dilutive effect of Employee Stock Option Plan as appropriate. Potential dilutive Equity Shares on account of Share warrants are not adjusted being anti dilutive in nature.

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Profit available for Equity Shareholders (₹)	28,423,826,980	22,941,238,561
Weighted average number of Shares used in computing Basic Earnings per Equity Share (Nos.)	422,455,701	391,814,413
Add: Potential number of Equity share that could arise on exercise of Employee Stock Options (Nos.)	5,096,073	7,293,625
Weighted average number of shares used in computing Diluted Earnings per Equity Share (Nos.)	427,551,774	399,108,037
Face Value of Equity Shares - (₹)	2.00	2.00
Basic Earnings Per Equity Share - (₹)	67.28	58.55
Diluted Earnings Per Equity Share - (₹)	66.48	57.48

- (34) In respect of amounts as mentioned under Section 124 of the Companies Act, 2013 there were no dues (Previous Year ₹ Nil) required to be credited to the Investor Education and Protection Fund as on March 31, 2017.

#### (35) DETAILS OF SHARE APPLICATION MONEY PENDING ALLOTMENT

As at March 31, 2017

No of Equity Shares to be issued	Face Value (₹)	Premium (₹)	Total Price Per Equity Share (₹)	Total Amount (₹)	Scheme
9,935	2.00	392.75	394.75	3,921,842	IBHFL ESOS - 2013
1,350	2.00	93.95	95.95	129,533	IBHFL-IBFSL Employees Stock Option - 2008
<b>11,285</b>		<b>Grand Total</b>		<b>4,051,375</b>	

- (36) (1) Disclosures required by the NHB notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017:  
(i) Disclosure for Capital to Risk Assets Ratio (CRAR)\* :- Amount (₹ In crores)

CRAR		As at March 31, 2017	As at March 31, 2016
Items			
i)	CRAR (%)	18.28%	20.51%
ii)	CRAR - Tier I capital (%)	15.08%	17.86%
iii)	CRAR - Tier II Capital (%)	3.20%	2.65%
iv)	Amount of subordinated debt raised as Tier- II Capital	1,807.05	1,040.75
v)	Amount raised by issue of Perpetual Debt Instruments	100.00	100.00

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(ii) Exposure to Real Estate Sector:- Amount (₹ In crores)

Category	As at March 31, 2017	As at March 31, 2016
Direct exposure		
Residential Mortgages -		
a) (i) Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Individual housing loans up to ₹ 15 lakh ₹ 3,231.26 crore (Previous Year ₹ 2,707.79 crore)	45,782.95	29,378.64
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates	23,590.15	22,906.79
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	3.41	4.17
b. Commercial Real Estate.	1.00	1.59
Indirect Exposure		
b) Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	-	-

**Note:** The above computation is based on management's estimates, assumptions and adjustments / Borrower's confirmation which have been relied upon by the auditors.

(iii) Exposure to Capital Market Amount (₹ In crores)

Particulars	As at March 31, 2017	As at March 31, 2016
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;(Hedged)	1,103.50	775.53
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	290.00	24.07
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-
<b>Total Exposure to Capital Market</b>	<b>1,393.50</b>	<b>799.60</b>

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (iv) Asset Liability Management

##### Maturity Pattern of Assets and Liabilities as at March 31, 2017:-

Amount (₹ In crores)

	1 day to 30/31 days (1 month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 to 6 months	Over 6 months to 1 year
<b>Liabilities</b>					
Borrowing from banks	6.25	381.36	1,283.46	1,836.05	5,112.07
	<i>592.31</i>	<i>1,037.56</i>	<i>1,753.66</i>	<i>2,343.83</i>	<i>6,365.19</i>
Market borrowings	1,653.90	2,368.60	2,974.85	3,982.75	3,525.93
	<i>493.80</i>	<i>920.00</i>	<i>1,806.85</i>	<i>1,226.75</i>	<i>3,988.50</i>
Foreign Currency Liabilities	-	-	64.40	28.17	151.81
	<i>16.08</i>	-	-	-	<i>19.32</i>
<b>Assets</b>					
Advances	1,719.99	823.72	1,426.08	3,353.65	6,544.09
	<i>2,184.10</i>	<i>857.71</i>	<i>1,267.26</i>	<i>3,315.44</i>	<i>7,079.13</i>
Investments	3,001.92	1,936.50	3,354.70	2,498.64	3,909.41
	<i>57.87</i>	<i>906.10</i>	<i>3,030.62</i>	<i>1,146.22</i>	<i>5,052.61</i>
Foreign Currency Assets	-	-	-	-	-
	-	-	-	-	-

##### Maturity Pattern of Assets and Liabilities as at March 31, 2017:-

Amount (₹ In crores)

	Over 1 to 3 years	Over 3 to 5 years	Over 5 to 7 years	Over 7 to 10 years	Over 10 years	Grand Total
<b>Liabilities</b>						
Borrowing from banks	13,597.19	8,234.32	4,556.62	-	871.58	35,878.90
	<i>12,735.86</i>	<i>9,439.00</i>	<i>8.24</i>	-	-	<i>34,275.65</i>
Market borrowings	10,842.72	11,447.99	5,096.10	4,447.00	293.28	46,633.12
	<i>7,805.47</i>	<i>3,093.33</i>	<i>2,656.30</i>	<i>3,403.15</i>	<i>293.28</i>	<i>25,687.43</i>
Foreign Currency Liabilities	-	-	-	-	-	244.38
	-	-	-	-	-	<i>35.40</i>
<b>Assets</b>						
Advances	27,525.10	20,659.21	9,869.52	7,818.17	7,143.27	86,882.80
	<i>22,107.48</i>	<i>12,839.74</i>	<i>7,198.85</i>	<i>3,820.50</i>	<i>148.36</i>	<i>60,818.57</i>
Investments	306.38	0.81	0.68	0.72	1,406.74	16,416.50
	<i>309.34</i>	<i>11.91</i>	<i>0.95</i>	<i>0.89</i>	<i>1,401.48</i>	<i>11,917.99</i>
Foreign Currency Assets	17.27	36.03	-	-	-	53.30
	-	-	-	-	-	-

**Note:** In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the auditors.

(Figures in respect of previous years are stated in italics)

#### (2) Capital to Risk Assets Ratio (CRAR)(Proforma)

CRAR (Proforma)(considering Nil risk weightage on Mutual fund investments):-

CRAR	As at March 31, 2017	As at March 31, 2016
<b>Items</b>		
i) Adjusted CRAR-(Total)- Proforma	20.97%	23.37%
ii) Adjusted CRAR - Tier I capital (%) - Proforma	17.30%	20.35%
iii) Adjusted CRAR - Tier II Capital (%) - Proforma	3.67%	3.02%

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

(37) Additional disclosures required by the NHB notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 are as follows:-

(i) **Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account**

Amount (₹ In Crores)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
1. Provisions for depreciation on Investment	5.10	-
2. Provision made towards Income tax	838.40	759.10
3. Provision towards NPA	459.78	218.74
4. Provision for Standard Assets (including provision on Teaser Loan Nil, CRE-RH for ₹ 64.43 Crs & CRE for ₹ 7.35 Crs (Previous Year Teaser Loan Nil, CRE-RH for ₹ 72.67 Crs & CRE for ₹ 2.52 Crs).	195.73	114.45
5. Other Provision and Contingencies:-	27.49	26.26
i) Gratuity Expense	9.18	8.41
ii) Leave Encashment Expense	4.06	3.77
iii) Superannuation Expense	14.25	14.08

(ii) **Break up of Loan & Advances and Provisions thereon**

Amount (₹ In Crores)

Particulars	Housing Loans		Non Housing Loans	
	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2017	Year Ended March 31, 2016
<b>Standard Assets</b>				
a) Total Outstanding Amount	61,219.53	45,188.87	17,882.92	14,317.91
b) Provisions made	414.73	308.03	165.27	104.00
<b>Sub-Standard Assets</b>				
a) Total Outstanding Amount	337.47	205.61	70.86	96.71
b) Provisions made	50.62	30.84	10.63	14.51
<b>Doubtful Assets – Category-I</b>				
a) Total Outstanding Amount	124.35	108.83	49.69	36.42
b) Provisions made	31.09	27.21	22.17	9.11
<b>Doubtful Assets – Category-II</b>				
a) Total Outstanding Amount	59.71	3.95	58.76	74.70
b) Provisions made	23.88	1.58	23.50	29.88
<b>Doubtful Assets – Category-III</b>				
a) Total Outstanding Amount	3.95	2.67	8.90	9.45
b) Provisions made	3.95	2.67	8.90	9.45
<b>Loss Assets</b>				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
<b>TOTAL</b>				
a) Total Outstanding Amount	61,745.01	45,509.93	18,071.13	14,535.19
b) Provisions	524.27	370.33	230.47	166.95

Further as at March 31, 2017, the Company has additional provision of ₹ 33.18 Crore (Previous Year ₹ 5.43 Crore) and ₹ 333.28 Crore (Previous Year ₹ 274.72 Crore) for Standard Assets/other contingencies and for non standard assets (including Doubtful and loss assets) respectively.



## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (iii) Concentration of Public Deposits

Particulars	Amount (₹ In Crores)	
	Year Ended March 31, 2017	Year Ended March 31, 2016
Total Deposits of twenty largest depositors	N.A.	N.A.
Percentage of Deposits of twenty largest depositors to Total Deposits of the HFC	N.A.	N.A.

#### (iv) Concentration of Loans & Advances

Particulars	Amount (₹ In Crores)	
	Year Ended March 31, 2017	Year Ended March 31, 2016
Total exposure to twenty largest borrowers/customers	10,247.37	12,345.20
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	12.96%	20.80%

#### (v) Concentration of all Exposure (including off-balance sheet exposure)

Particulars	Amount (₹ In Crores)	
	Year Ended March 31, 2017	Year Ended March 31, 2016
Total Exposure to twenty largest borrowers / customers	10,513.25	12,345.20
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	13.29%	20.80%

#### (vi) Concentration of NPAs

Particulars	Amount (₹ In Crores)	
	Year Ended March 31, 2017	Year Ended March 31, 2016
Total Exposure to top ten NPA accounts	462.57	398.67

#### (vii) Sector-wise NPAs

Sl. No	Sector	Percentage of NPAs to Total Advances in that sector as on March 31, 2017
<b>A.</b>	<b>Housing Loans:</b>	
1	Individuals	0.25%
2	Builders/Project Loans	1.10%
3	Corporates	4.89%
4	Others	0.00%
<b>B.</b>	<b>Non-Housing Loans:</b>	
1	Individuals	0.82%
2	Builders/Project Loans	0.00%
3	Corporates	1.79%
4	Others	0.00%

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (viii) Movement of NPAs

Particulars	Amount (₹ In Crores)	
	Year Ended March 31, 2017	Year Ended March 31, 2016
(I) Net NPAs to Net Advances (%)	0.26%	0.24%
(II) Movement of NPAs (Gross)		
a) Opening balance	538.35	394.04
b) Additions during the year	575.93	371.69
c) Reductions during the year	400.58	227.38
d) Closing balance	713.70	538.35
(III) Movement of Net NPAs		
a) Opening balance	138.38	99.39
b) Additions during the year	116.15	152.92
c) Reductions during the year	48.86	113.93
d) Closing balance	205.67	138.38
(IV) Movement of provisions for NPAs(excluding provisions on standard assets)		
a) Opening balance	399.97	294.65
b) Provisions made during the year	459.78	218.77
c) Write-off/write-back of excess provisions	351.72	113.45
d) Closing balance	508.03	399.97

#### (ix) Rating assigned by Credit Rating Agencies and migration of rating during the year :-

Deposits Instrument	Name of rating agency	Date of rating/ revalidation	Rating assigned	Borrowing limit or conditions imposed by rating agency, if any, (Amt. in ₹ Billion)
Cash Credit	Crisil Rating	Dec-16	CRISIL AA+ Stable (Reaffirmed)	52.00
Long-Term Bank Facility	Crisil Rating	Dec-16	CRISIL AA+ Stable (Reaffirmed)	166.70
Short Term Bank Facility	Crisil Rating	Dec-16	CRISIL A1+ (Reaffirmed)	10.49
Proposed Long-Term Bank Facility	Crisil Rating	Dec-16	CRISIL AA+ Stable (Reaffirmed)	46.31
Non-Convertible Debentures	Crisil Rating	Dec-16	CRISIL AA+ Stable (Reaffirmed)	93.00
Subordinate Debt	Crisil Rating	Dec-16	CRISIL AA+ Stable (Reaffirmed)	5.00
Bonds	Crisil Rating	Dec-16	CRISIL AA+ Stable (Reaffirmed)	30.00
Short Term Non-Convertible Debenture	Crisil Rating	Dec-16	CRISIL A1+ (Reaffirmed)	10.00
Short Term Commercial Paper Program	Crisil Rating	Feb-17	CRISIL A1+ (Reaffirmed)	150.00
NCD Issue	Brickwork Ratings	Mar-17	BWR AAA (Outlook: Stable)	240.00

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### (ix) Rating assigned by Credit Rating Agencies and migration of rating during the year : (Contd.)

Deposits Instrument	Name of rating agency	Date of rating/revalidation	Rating assigned	Borrowing limit or conditions imposed by rating agency, if any, (Amt. in ₹ Billion)
Subordinate Debt Issue program	Brickwork Ratings	Mar-17	BWR AAA (Outlook: Stable)	30.00
Perpetual Debt Issue	Brickwork Ratings	Mar-17	BWR AA+ (Outlook: Stable)	1.50
Secured NCD and Unsecured Subordinated NCD	Brickwork Ratings	Aug-16	BWR AAA (Outlook: Stable)	70.00
Long Term Debt	CARE Ratings	Mar-17	CARE AAA	413.00
Subordinate Debt	CARE Ratings	Mar-17	CARE AAA	50.00
Perpetual Debt	CARE Ratings	Mar-17	CARE AA+	2.00
Cash Credit	CARE Ratings	Feb-17	CARE AAA	64.00
Long-Term Bank Facility	CARE Ratings	Feb-17	CARE AAA	295.71
Short Term Bank Facility	CARE Ratings	Feb-17	CARE A1+	11.00
Proposed Long-Term/Short-Term Facility	CARE Ratings	Feb-17	CARE AAA CARE A1+	154.29
Public Issue of Non-Convertible Debentures	CARE Ratings	Jan-17	CARE AAA	68.01
Public Issue of Subordinate Debt	CARE Ratings	Jan-17	CARE AAA	1.99
NCD Issue	ICRA Limited	Mar-17	ICRA AA+	2.00
Short Term Debt Programme (CP)	ICRA Limited	Feb-17	ICRA A1+	150.00
Short Term Debt Programme (CP)	India Rating & Research Ltd.	Jul-16	IND A1+	20.00

#### (x) Customers Complaints

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
a) No. of complaints pending at the beginning of the year	4	4
b) No. of complaints received during the year	156	195
c) No. of complaints redressed during the year	159	195
d) No. of complaints pending at the end of the year	1	4

#### (xi) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

The Company has not exceeded the limits for SGL / GBL.

#### (xii) Disclosure of Penalties imposed by NHB and other regulators

No penalties has been imposed on the Company by any regulators.

- (38) The Company has entered into various agreements for the assignment/securitisation of loans with assignees, wherein it has assigned/securitised a part of its secured loan portfolio amounting to ₹ 181,515,208,581 upto March 31, 2017 (₹ 145,912,932,121 upto March 31, 2016), being the principal value outstanding as on the date of the deals that are outstanding as on the Balance Sheet date.

The Company assigned/securitized various loan portfolios to banks and/or other institutions which are derecognised in the books of accounts of the Company in terms of accounting policy mentioned in Significant Accounting policies in Note 1 (v) above and residual income on these Loans is being recognised over the life of the underlying loans and not on an upfront basis.

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

Additional disclosures required by the NHB notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 for Securitisation are as follows:-

#### 3.5.1 Outstanding amount of securitised assets as per books of the SPVs sponsored by the HFC and total amount of exposures retained by the HFC as on the date of balance sheet towards the Minimum Retention Requirements (MRR).

Particulars	Amount (₹ In Crores)	
	Year Ended March 31, 2017	Year Ended March 31, 2016
(1) No of SPVs sponsored by the HFC for securitisation transactions*	N.A.	N.A.
(2) Total amount of Securitised assets as per books of SPVs Sponsored	N.A.	N.A.
(3) Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet	N.A.	N.A.
I) Off-balance sheet exposures towards Credit Concentration	N.A.	N.A.
II) On-balance sheet exposures towards Credit Concentration	N.A.	N.A.
(4) Amount of exposures to securitisation transactions other than MRR	N.A.	N.A.
I) Off-balance sheet exposures towards Credit Concentration	N.A.	N.A.
II) On-balance sheet exposures towards Credit Concentration	N.A.	N.A.

#### 3.5.2 Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

Particulars	Amount (₹ In Crores)	
	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
(i) No. of accounts	Nil	Nil
(ii) Aggregate value (net of provisions) of accounts sold to SC/RC	N.A.	N.A.
(iii) Aggregate consideration	N.A.	N.A.
(iv) Additional consideration realized in respect of accounts transferred in earlier years	N.A.	N.A.
(v) Aggregate gain/loss over net book value	N.A.	N.A.

#### 3.5.3 Details of Assignment transactions undertaken by HFCs

Particulars	Amount (₹ In Crores)	
	Year Ended March 31, 2017	Year Ended March 31, 2016
(i) No. of accounts(nos)	9,441	14,265
(ii) Aggregate value (net of provisions) of accounts assigned	3,280.80	4,180.19
(iii) Aggregate consideration	2,952.72	3,762.17
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
(v) Aggregate gain / loss over net book value	Nil	Nil

#### 3.5.4 (A) Details of non-performing financial assets purchased:

Particulars	Amount (₹ In Crores)	
	Year Ended March 31, 2017	Year Ended March 31, 2016
1) (a) No. of accounts purchased during the year	Nil	Nil
(b) Aggregate outstanding	Nil	Nil
2) (a) Of these, number of accounts restructured during the year	Nil	Nil
(b) Aggregate outstanding	Nil	Nil

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

#### 3.5.4(B) Details of non-performing financial assets sold:

Particulars	Amount (₹ In Crores)	
	Year Ended March 31, 2017	Year Ended March 31, 2016
1) No. of accounts sold	Nil	Nil
2) Aggregate outstanding	Nil	Nil
3) Aggregate consideration received	Nil	Nil

(39) The Board of Directors at their meeting held on April 27, 2012 had approved the Scheme of Arrangement involving the merger of Indiabulls Financial Services Limited (IBFSL, the Holding Company) with the Company in terms of the provisions of Sections 391 to 394 of the Companies Act, 1956 (the "Scheme of Arrangement"). The Appointed Date of the proposed merger fixed under the Scheme of Arrangement was April 1, 2012. The Hon'ble High Court of Delhi, vide its Order dated December 12, 2012, received by the Company on February 8, 2013, approved the Scheme of Arrangement (Order). In terms of the Court approved Scheme of Arrangement, with the filing of the copy of the Order, on March 8, 2013 with the office of ROC, NCT of Delhi & Haryana (the Effective Date), IBFSL, as a going concern, stands amalgamated with IBHFL with effect from the Appointed Date, being April 1, 2012 (Under the Accounting Standard 14 - Pooling of interest method). Consequent to the Scheme of Arrangement becoming effective, the Board of Directors of the Company, at their meeting held on March 25, 2013, issued and allotted –

- i) 312,511,167 Equity Shares of ₹ 2 each of the Company,
- ii) 27,500,000 Warrants of the Company (against the listed warrants of IBFSL), and
- iii) 20,700,000 Warrants of the Company (against the unlisted warrants of IBFSL held by certain promoter group entities and Key Management Personnel of IBFSL)

to the Equity Shareholders / Warrants holders of IBFSL, against their holdings in such Equity Shares / Warrants, as on March 20, 2013 i.e. the record date fixed by IBFSL in this regard. The issue of Equity Shares / warrants by the Company was in terms of the share exchange ratio as mentioned in the Court approved Scheme of Arrangement. The Company's Shares and Warrants (issued in lieu of listed warrants of IBFSL) got listed with National Stock Exchange of India Limited and BSE Limited w.e.f. July 23, 2013.

(40) Disclosures in respect of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as required vide Notification No. G.S.R. 308(E) dated 30th March, 2017 issued by the Ministry of Corporate Affairs:

Particulars	Amount in (₹)			
	SBNs	Other denomination notes	Others (Refer notes below)	Total
Closing cash in hand as on 08.11.2016	37,871,000	228,388	108,662 (Refer Note 1)	38,208,050
(+) Permitted receipts	-	40,479,205 (Refer Note 2)	-	40,479,205
(+) Cash deposited by customers in the Banks	200,000	-	4,242,367 (Refer Note 3)	4,442,367
(-) Permitted payments	-	786,527	-	786,527
(-) Amount deposited in Banks	38,071,000	36,232,410	4,351,029 (Refer Note 1 & 3)	78,654,439
<b>Closing cash in hand as on 30.12.2016</b>	<b>-</b>	<b>3,688,656</b>	<b>-</b>	<b>3,688,656</b>

- (1) details of denomination for amount aggregating to ₹ 108,662 is not clearly legible from the bank deposit slips available with the Company.
- (2) includes withdrawal from bank aggregating to ₹ 1,250,000.
- (3) amounts aggregating to ₹ 4,242,367 have been directly deposited by customers into the Company's bank accounts towards the repayment of their outstanding amounts for which details of denomination (SBN's / Other denomination notes) is not available with the Management.

## NOTES

### FORMING PART OF THE FINANCIAL STATEMENTS OF INDIABULLS HOUSING FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

- (41) The Company has complied with the NHB Directions, 2010 including Prudential Norms and as amended from time to time.
- (42) Previous Year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

For and on behalf of the Board of Directors

Sameer Gehlaut  
Chairman /  
Whole Time Director  
DIN : 00060783

Gagan Banga  
Vice-Chairman,  
Managing Director & CEO  
DIN : 00010894

Ashwini Omprakash Kumar  
Whole Time Director  
DIN : 03341114

Mukesh Garg  
CFO

Amit Jain  
Company Secretary

New Delhi, April 24, 2017



**Annexure: Statement containing the salient features of the financial statements of subsidiaries / associate companies / joint ventures**  
[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 - AOC-1]

**Part "A" Subsidiaries** (Amount ₹)

Sl No.	Name of the Subsidiary Companies	Year	Currency	Share Capital	Reserves and Surplus (Surplus / (Deficit))	Total Assets	Total Liabilities	Details of Investments	Turnover/ Total Revenue	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)	% of Shareholding as on March 31
1	Indiabulls Collection Agency Limited	2016-17	₹	1,500,000	193,129,175	199,121,468	4,542,293	-	14,123,724	13,580,229	44,970,030	9,083,199	-	100%
		2015-16		1,500,000	184,045,976	190,113,510	4,567,534	-	15,584,750	14,998,212	5,126,750	9,871,462	-	
2	Ibills Sales Limited	2016-17	₹	500,000	66,669,227	1,519,014	49,349,787	115,000,000	65,457,010	5,466,047	2,366,343	3,101,704	-	100%
		2015-16		500,000	(1,032,959,942)	44,168,162	1,071,238,104	77,000,000	60,464,360	44,809,127	14,956,617	30,013,510	-	
3	Indiabulls Insurance Advisors Limited	2016-17	₹	500,000	(1,035,136,863)	41,838,984	1,076,975,847	500,000	3,687,739	3,134,888	957,967	2,176,921	-	100%
		2015-16		500,000	107,368,923	112,359,019	4,490,096	-	37,870,040	30,861,295	10,174,569	20,686,726	-	100%
4	Nigri Financial Consultants Limited	2016-17	₹	500,000	86,682,197	95,110,899	7,928,702	-	28,109,603	24,616,855	8,772,002	16,444,853	-	100%
		2015-16		500,000	(440,096,199)	111,028,073	201,124,272	-	6,971,064	4,688,667	1,416,543	3,272,124	-	100%
5	Indiabulls Capital Services Limited	2016-17	₹	50,000,000	(44,368,323)	107,633,641	201,001,964	-	6,317,809	4,444,060	1,504,128	2,939,932	-	100%
		2015-16		653,262,880	71,723,640	38,150,504,565	31,701,308,753	1,376,803,708	4,085,982,384	793,956,515	208,465,862	585,490,653	22,500,000	100%
6	Indiabulls Commercial Credit Limited (Formerly Indiabulls Infrastructure Credit Limited)	2016-17	₹	25,500,000	39,339,906	67,499,583	2,659,677	-	32,444,695	32,089,778	2,699,199	29,390,579	-	100%
		2015-16		25,500,000	33,053,956	26,512,816	33,386,60	32,375,000	1,846,837	1,526,935	477,201	1,049,734	-	100%
7	Indiabulls Advisory Services Limited	2016-17	₹	500,000	75,333	685,997	110,664	-	400,000	341,703	119,480	222,223	-	100%
		2015-16		500,000	(46,890)	489,667	136,557	-	503,228	425,821	155,500	270,321	-	100%
8	Indiabulls Asset Holding Company Limited	2016-17	₹	500,000	(48,352,917)	1,609,855	49,462,772	-	158,857	55,900	40,581	15,319	-	100%
		2015-16		500,000	(48,368,236)	1,643,856	49,512,092	-	161,625	90,117	49,940	40,177	-	100%
9	Indiabulls Life Insurance Company Limited	2016-17	₹	700,000,000	4,990,552	369,952,218	48,977,642	384,010,976	342,350,180	80,760,212	16,718,521	64,041,691	-	100%
		2015-16		700,000,000	(59,051,139)	163,834,916	940,495	486,518,540	195,111,058	291,643,326	10,228,672	18,935,654	-	100%
10	Indiabulls Asset Management Company Limited	2016-17	₹	5,000,000	(187,892)	5,089,946	27,7838	-	1,162,552	(83,488)	-	(83,488)	-	100%
		2015-16		5,000,000	646,496	5,855,054	208,558	-	1,583,438	(94,283)	-	(94,283)	-	100%
11	Indiabulls Trustee Company Limited	2016-17	₹	1,500,000	86,975	615,725	28,750	1,000,000	-	(42,407)	10,854	(53,261)	-	100%
		2015-16		1,500,000	140,236	743,693	103,457	1,000,000	406,748	362,113	126,159	235,954	-	100%
12	Indiabulls Holdings Limited	2016-17	₹	500,000	139,488	694,058	54,640	-	200,000	14,6452	61,976	844,76	-	100%
		2015-16		500,000	54,942	632,419	77,477	-	307,268	2,453,999	89,743	155,656	-	100%
13	Indiabulls Venture Capital Management Company Limited	2016-17	₹	500,000	126,846	686,298	59,452	-	200,000	162,585	66,579	96,006	-	100%
		2015-16		500,000	30,840	608,408	77,568	-	307,064	2,45,976	891,88	156,788	-	100%
14	Indiabulls Venture Capital Trustee Company Limited	2016-17	₹	N.A.	N.A.	N.A.	N.A.	N.A.	2,954,463	2,889,830	926,080	1,663,750	-	N.A.
		For the period from 01 April 2016 To 02 October 2016		51,000,000	35,104,888	88,236,263	2,131,375	-	6,854,158	6,423,449	2,117,930	4,305,519	-	100%
15	Indiabulls Asset Reconstruction Company Limited*	2016-17	₹	2,016,323	(3,206,117)	609,483	1,806,079	6,802	-	(3,246,330)	-	(3,246,330)	-	100%
16	Indiabulls Asset Management Mauritius	2016 To 31 March 2017	₹											

\*Transferred during the year

For and on behalf of the Board of Directors

Sd/-  
**Sameer Gehlaut**  
Chairman/Whole Time Director  
DIN : 00060783

Sd/-  
**Gagan Banga**  
Vice-Chairman, Managing Director & CEO  
DIN : 00010894

Sd/-  
**Ashwini Omprakash Kumar**  
Whole Time Director  
DIN : 03341114

Sd/-  
**Mukesh Garg**  
CFO

Sd/-  
**Amit Jain**  
Company Secretary

New Delhi, April 24, 2017

**Annexure: Statement containing the salient features of the financial statements of subsidiaries/associate companies/joint ventures**

[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 - AOC-1]

**Part "B" Associates**

(Amount ₹)

SI No.	Name of Associate	OakNorth Holdings Limited	
		March 31, 2017	March 31, 2016
1	<b>Latest audited Balance Sheet date</b>		
2	<b>Share of Associate Held by the Company on the year end</b>		
	Number	818,615	818,615
	Amount of Investment in Associate	6,633,121,000	6,633,121,000
	Extend of Holding%	38.73%	39.76%
3	Description of how there is significant influence	Note-A	Note-A
4	Reason why associate is not consolidated	N.A.	N.A.
5	Networth attributable to shareholding as per latest audited Balance Sheet	7,362,398,211	7,963,922,015
6	<b>(Loss) for the Year</b>		
	i. Considered in Consolidation	(21,591,190)	(81,514,244)
	ii. Not Considered in Consolidation	(19,897,417)	(294,482,279)

**Note-A: There is significant influence due to precentage (%) of share capital**

For and on behalf of the Board of Directors

 Sd/-  
**Sameer Gehlaut**  
 Chairman/Whole Time Director  
 DIN : 00060783

 Sd/-  
**Gagan Banga**  
 Vice-Chairman,  
 Managing Director & CEO  
 DIN : 00010894

 Sd/-  
**Ashwini Omprakash Kumar**  
 Whole Time Director  
 DIN : 03341114

 Sd/-  
**Mukesh Garg**  
 CFO

 Sd/-  
**Amit Jain**  
 Company Secretary

New Delhi, April 24, 2017

**Detail of owned property of the Company:-**

DELHI (New Delhi) "Plot KH. No. 478, Village Bijwasan, New Delhi". DELHI (New Delhi) "A-703, Thelshwar C.G.H.S. Ltd., Plot No. 4, Dwarka Sector-12, New Delhi". GUJRAT (Ahemdabad) Plot No. 12, Mehsana, Ahmedabad". GUJRAT (Ahemdabad) "Plot No.19, Mehsana, Ahemdabad". TAMILNADU (Chennai) "Flat No. B-2002, Indiabulls Green, Tower-B2, Chennai". PUNJAB (Ludhiana) "Commercial Shop -Shop No. 101, Lower Ground Floor Elite Arcade, Mall Road, Ludhiana".





Indiabulls House

Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013.  
[www.indiabullshomeloans.com](http://www.indiabullshomeloans.com)