

The background of the cover features a series of overlapping, curved green shapes that create a sense of movement and depth. The colors range from a light, pale green to a deep, dark forest green. The Indiabulls logo is positioned in the upper left quadrant, with the word 'Indiabulls' in a large, bold, green sans-serif font, and 'INTEGRATED SERVICES' in a smaller, bold, black sans-serif font directly beneath it.

Indiabulls

INTEGRATED SERVICES

**ANNUAL
REPORT | 2017-18**

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Forward-looking statement

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

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

Board of Directors

Mr. Manvinder Singh Walia , Executive Director
Mr. Ajit Kumar Mittal, Non-Executive Director
Mr. Gurrappa Gopalakrishna, Independent Director
Justice (Retd.) Gyan Sudha Misra, Independent Director
Mr. Shamsheer Singh Ahlawat, Independent Director

Company Secretary

Ms. Priya Jain

Chief Financial Officer

Mr. Saurabh Garg

Statutory Auditors

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

Internal Auditors

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

Secretarial Auditors

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

Registrar and Transfer Agent

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

Registered Office

M - 62 & 63, First Floor, Connaught Place,
New Delhi - 110 001
CIN: L51101DL2007PLC166209
Website: www.indiabullsin Integrated Services.com
E-mail: helpdesk@indiabulls.com
Tel: 0124-6681199, Fax: 0124-6681240

Corporate Offices

- (a) Indiabulls House,
448-451, Udyog Vihar,
Phase-V, Gurugram – 122016
- (b) Indiabulls House,
Indiabulls Finance Center,
Senapati Bapat Marg,
Elphinstone Road, Mumbai – 400013

Bankers

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

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the Eleventh Annual Report together with audited financial statement of Indiabulls Integrated Services Limited (formerly SORIL Holdings and Ventures Limited and Indiabulls Wholesale Services Limited) ("the Company") for the financial year ended March 31, 2018.

FINANCIAL HIGHLIGHTS

The highlights of the standalone financial results of the Company for the financial year ended March 31, 2018 are as under:

(Amount in thousands)		
Particulars	For the financial ended March 31, 2018	For the financial ended March 31, 2017
Profit before Tax and Depreciation	73,111.64	(21,805.65)
Less: Depreciation and amortization expense	893.52	361.59
Profit before Tax	72,218.12	(22,167.24)
Less: Provision for Tax	49,524.21	(722.60)
Profit after Tax	22,693.91	(21,444.64)
Profit/ (Loss) brought forward	5,96,427.71	2,01,007.09
Amount available for appropriation	6,19,121.62	1,79,562.45
Less: Appropriations:		
Proposed dividend on preference shares	—	—
Corporate dividend tax thereon	—	(362.74)
Interim dividend on equity shares	—	—
Corporate dividend tax thereon	—	—
Transfer to general reserve	—	—
Balance carried forward to Balance Sheet	6,19,121.62	1,79,925.19

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

BUSINESS OVERVIEW

The Company, directly and through its subsidiaries, had been till recently, primarily engaged in the businesses of real estate development, providing management and maintenance services, equipment renting, construction advisory and other related services, charter business of aircraft, LED Lighting, trade in all kinds of sculptures, paintings and art graphics etc. While, your directors believe that all of these businesses have huge potential & scope for further business growth, it has been decided to diversify into financial services area leveraging on the group's core strength and vast distribution network.

Accordingly, during the year under review, the Company's Board had decided to venture into new business streams such as life and general insurance, consumer platform and other financial services activities, through its subsidiaries, and has engaged with the relevant regulatory authorities for obtaining necessary regulatory approvals to pursue Life Insurance and General Insurance businesses. To capitalize and fund these businesses and to augment Company's long term resources and to improve its financial leveraging strength, the Promoters of the Company, as a reflection of their confidence in the future of the Company, had committed to infuse further capital aggregating to ₹ 462 crores, out of which, till date they have contributed ₹ 329.34 crores in the Company by subscribing to and exercising convertible warrants, issued in accordance with the members' approval dated December 16, 2017 and applicable SEBI regulations.

Further, to capitalize and fund these businesses and to augment long term resources and financial leveraging strength of the Company and its subsidiaries, certain foreign investors, as a reflection of their confidence in the proposed businesses of the Company, have, during the current FY, invested an aggregate of ₹ 657.78 crores, towards the preferential issue of equity shares of the Company allotted to them in accordance with the members' approval dated May 22, 2018 and June 11, 2018 and applicable SEBI regulations.

CHANGE IN NAME OF THE COMPANY

To reflect in the name of the Company its association with Indiabulls Group, and various existing and proposed integrated activities, being carried out by the Company at consolidated level, Company's name has been changed from 'SORIL Holdings and Ventures Limited' to 'Indiabulls Integrated Services Limited' with effect from May 16, 2018.

CHANGE IN THE REGISTERED OFFICE OF THE COMPANY

The shareholders of the Company on August 20, 2018, approved the shifting of registered office of the Company to its Corporate and Head Office, situated at Gurugram, in the state of Haryana, which is pending for applicable regulatory approvals. The proposed shifting of registered office would result in effective and smooth conduct of the Company's operations and would also enable Company Management to monitor its businesses more economically, viably and efficiently at reduced cost with better administrative control, supervision and convenience and would also facilitate enlarging its business operations.

DIVIDEND

To reward its shareholders, the Board of Directors of the Company, had, for the FY 2017-18, declared, in its meeting held on May 2, 2018, and paid an interim dividend of ₹ 1/- per share on equity shares having face value of ₹ 2/- each.

DIRECTORS & KEY MANAGERIAL PERSONNEL

To have vast experience and skill sets and the highest standards of Corporate Governance in its management, the following individuals were appointed as the Additional Directors on the Board of the Company with effect from December 8, 2017:

- (a) Mr. Ajit Kumar Mittal (DIN: 02698115) as Non-Executive Director of the Company.
- (b) Mr. Manvinder Singh Walia (DIN: 07988213) as Whole-time Director and Key Managerial Personnel of the Company, designated as Executive Director.
- (c) Mr. Akshay Gupta (DIN: 01272080) as Non-Executive Director of the Company.
- (d) Justice Gyan Sudha Misra (Retd. Justice Supreme Court of India) (DIN: 07577265) as an Independent Director of the Company.
- (e) Mr. Gurrappa Gopalakrishna (Ex-Executive Director, Reserve Bank of India, and Director (with the rank of Deputy Governor) CAFRAL) (DIN: 06407040) as an Independent Director of the Company.

The appointments of (a) Mr. Manvinder Singh Walia as a Whole-time Director and Key Managerial Personnel of the Company, designated as Executive Director, for a period of five years, with effect from December 8, 2017 till December 7, 2022; and (b) Justice Gyan Sudha Misra and Mr. Gurrappa Gopalakrishna as Independent Directors on the Board of the Company, for a period of two years w.e.f. December 8, 2017 till December 7, 2019, were approved by the members of the Company at their Extraordinary General Meeting held on May 14, 2018.

During the FY 2017-18, Mr. Mehul Johnson (DIN: 00016075), Col. (Retd.) Surinder Singh Kadyan, (DIN: 03495880), Ms. Pia Johnson (DIN: 00722403), Mr. Joginder Singh Kataria (DIN: 05202673) and Mr. Rajinder Singh Nandal (DIN: 03094903), have resigned from the office of director(s) of the Company. Subsequently, in the current financial year, Mr. Akshay Gupta (DIN: 01272080), Additional Director, has resigned from the office of director of the Company w.e.f. August 18, 2018. The Board places on record its appreciation for the contribution made by them during their tenure on the Board of the Company.

Mr. Ajit Kumar Mittal and Mr. Manvinder Singh Walia, being Additional Directors, hold office as such upto the date of ensuing Annual General Meeting. Keeping in view their leadership and guidance skills, the Board recommends their appointment as Directors, liable to retire by rotation, at the ensuing Annual General Meeting of the Company.

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.

Directors' Report (contd.)

Brief resume of the Directors proposed to be appointed, nature of their expertise in specific functional areas and names of companies in which they hold directorships, memberships/chairmanships of Board Committees and disclosure of relationship between Director inter-se and shareholding of Non-Executive Director(s), are provided in the Notice convening the 11th Annual General Meeting of the Company.

SHARE CAPITAL

The paid up equity share capital of the Company as on March 31, 2018, was ₹ 10,96,36,986 comprising of 5,48,18,493 equity shares of face value of ₹ 2/- each.

Subsequently, during the current financial year till the date of this report, the Company has issued and allotted securities, as per following details:

- i) The Company, pursuant to and in terms of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, on May 28, 2018, issued and allotted an aggregate of 1,75,00,000 fully paid up equity shares of face value of ₹ 2/- each of the Company ('Equity Shares'), out of which, 1,00,00,000 Equity Shares were allotted at an issue price of ₹ 330 (including a premium of ₹ 328) per Equity Share, to certain foreign portfolio investors, registered with the SEBI, pursuant to and in terms of shareholders' approval dated May 22, 2018 and 75,00,000 Equity Shares were allotted at a conversion price of ₹ 132 (including a premium of ₹ 130) per Equity Share to certain Promoter Group Entities of the Company, upon exercise/conversion of equivalent number of warrants, which were allotted to them pursuant to and in terms of shareholders' approval dated December 16, 2017; and
- ii) The Company, pursuant to and in terms of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, on June 25, 2018, issued and allotted an aggregate of 1,70,07,076 fully paid up equity shares of face value of ₹ 2/- each of the Company ('Equity Shares'), out of which, 70,07,076 Equity Shares were allotted at an issue price of ₹ 532 (including a premium of ₹ 530) per Equity Share, to certain foreign investors, pursuant to and in terms of shareholders' approval dated June 11, 2018 and 1,00,00,000 Equity Shares were allotted at a conversion price of ₹ 132 (including a premium of ₹ 130) per Equity Share to certain Promoter Group Entities of the Company, upon exercise/conversion of equivalent number of warrants, which were allotted to them pursuant to and in terms of shareholders' approval dated December 16, 2017.

As a result of the aforesaid allotments of equity shares, the paid up share capital of the Company stands increased to ₹ 17,86,51,138 comprising of 8,93,25,569 equity shares of ₹ 2/- each.

EMPLOYEE STOCK OPTIONS

During the FY 2017-18, on November 3, 2017, the Company had granted 45,66,600 (Forty Five Lakhs Sixty Six Thousand Six Hundred) stock options under the Company's Indiabulls Integrated Services Limited Employee Stock Option Scheme – 2011, to certain eligible employees at an exercise price of ₹ 105.20 per option. Subsequently, in the current financial year, on August 9, 2018, the Company has granted 10,00,000 (Ten Lakhs) stock options under the Company's ESOP Scheme-2018, at an exercise price of ₹ 489.35 per option.

The disclosures required to be made in compliance with the applicable regulations have been placed on the website of the Company www.indiabullsin Integrated Services Limited.

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: INE126M01010) of the Company, continue to remain listed at BSE Limited and National Stock Exchange of India Limited. The listing fees payable to both the exchanges for the financial year 2018-19 have been paid.

AUDITORS

(a) Statutory Auditors

M/s Agarwal Prakash & Co. (Firm Registration No. 005975N), the Statutory Auditors of the Company were appointed by the members at their Seventh Annual General Meeting, held on September 26, 2014, for a period of five years i.e. until the conclusion of the Twelfth Annual General Meeting of the Company. The Ministry of Corporate Affairs (MCA) vide its notification no. S.O. 1833(E) dated May 7, 2018 has done away with the requirement of getting the appointment of the Statutory Auditors ratified at every Annual General Meeting and therefore no such ratification is being sought at ensuing Annual General Meeting of the Company.

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

(b) Secretarial Auditor & Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the rules made thereunder, the Company has appointed Mr. B.D. Tapriya, a Practicing Company Secretary as its Secretarial Auditor, to conduct the secretarial audit of the Company, for the Financial Year 2017-18. The Company has provided all assistance, facilities, documents, records and clarifications etc. to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for the Financial Year 2017-18, is annexed as Annexure 1, 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 as per its CSR Policy (available on Company's website at web-link: <http://www.indiabullsin Integrated services.com/pdf/CSR%20Policy.pdf>) 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015), 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 34 of SEBI (LODR) Regulations, 2015, 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.

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, 2018, 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, 2018 and the profit and loss of the Company for the year ended on that date;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual financial statements have been prepared on a going concern basis;

Directors' Report (contd.)

- (e) that proper internal financial controls are in place and that such financial controls are adequate and are operating effectively; and
- (f) that systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

In terms of Sections 92(3) and 134(3) of the Companies Act, 2013, Extract of the Annual Return for the Financial Year ended 31st March, 2018 is annexed as Annexure 3, forming part of this Report and is also available at website of the Company, at web-link: https://www.indiabullsintegratedservices.com/pdf/Annual_Return.pdf

BOARD MEETINGS

During the FY 2017-18, 8 (Eight) Board Meetings were convened and held. The details of such meetings are given in Corporate Governance Report forming part of this Annual Report. The intervening gap between these meetings was within the period prescribed under the Companies Act, 2013. The notice and agenda including all material information and minimum information required to be made available to the Board under Regulation 17 read with Schedule II Part A of the SEBI (LODR) Regulations, 2015 were circulated to all directors, well within the prescribed time, before the meeting or placed at the meeting with the consent of majority of Directors (including one Independent Director). During the year, separate meeting of the Independent Directors was held on November 20, 2017, without the presence of Non-Independent Directors and the members of the Company Management.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEE AND DIRECTORS

The Nomination & Remuneration Committee (NRC) of the Board reassessed the framework, methodology and criteria for evaluating the performance of the Board as a whole, including Board committee(s), as well as performance of each director(s) and confirms that the existing evaluation parameters are in compliance with the requirements as per SEBI guidance note dated January 5, 2017 on Board evaluation. The existing parameters includes effectiveness of the Board and its committees, decision making process, Directors/members participation, governance, independence, quality and content of agenda papers, team work, frequency of meetings, discussions at meetings, corporate culture, contribution and management of conflict of interest. Basis these parameters, the NRC had reviewed at length the performance of each director individually and expressed satisfaction on the process of evaluation and the performance of each Director. The performance evaluation of the Board as a whole and its committees, as well as the performance of each director individually was carried out by the entire Board of Directors. The performance evaluation of the Non-Independent Directors and the Board of Directors, as a whole was carried out by the Independent Directors in their meeting held on November 20, 2017. The Directors expressed their satisfaction with the evaluation process.

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

REMUNERATION POLICY

The Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration on the recommendation of Nomination and Remuneration Committee. The Remuneration Policy is briefly stated in the Corporate Governance Report forming part of this Annual Report and is also available at the website of the Company, at web-link: https://www.indiabullsintegratedservices.com/pdf/Remuneration%20Policy_IBULISL.pdf.

LOANS, GUARANTEES OR INVESTMENTS

During the FY 2017-18, in terms of the provisions of Section 186(1) of the Companies Act, 2013, the Company did not make any investments through more than two layers of investment companies.

The Company's investment/loans/guarantees during FY 2017-18 were in compliance with the provisions of Section 186 of the Companies Act, 2013, particulars of which are captured in financial statements of the Company, forming part of this Annual Report.

RELATED PARTY TRANSACTIONS

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

MATERIAL CHANGES AND COMMITMENTS

Except as disclosed in this report, there are no material changes and commitments, affecting the financial position of the Company, which has occurred between the end of the Financial Year of the Company i.e. March 31, 2018 and the date of this Report.

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

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

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

A. Conservation of Energy

The Company operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve energy. As an ongoing process, the following measures are undertaken:

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

B. Technology Absorption

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

Directors' Report (contd.)

has implemented best of the class applications to manage and automate its business processes to achieve higher efficiency, data integrity and data security. It has helped it in implementing best business practices and shorter time to market new schemes, products and customer services.

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

C. Foreign Exchange Earnings and Outgo

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

BUSINESS RISK MANAGEMENT

Pursuant to the applicable provisions of the Companies Act, 2013, the Company has formulated robust Business Risk Management policy to identify and evaluate business risks and opportunities. This policy 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. The requirement of constituting Risk Management Committee in terms of SEBI (LODR) Regulations, 2015 is not applicable to the Company.

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.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

Independent Directors are familiarized with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through presentations about the Company's strategy, business model, product and service offerings, customers' & shareholders' profile, financial details, human resources, technology, facilities, internal controls and risk management, their roles, rights and responsibilities in the Company. The Board is also periodically briefed on the various changes, if any, in the regulations governing the conduct of Independent Directors. The details of the familiarization programs have been hosted on the website of the Company, at web-link: <https://www.indiabullsintegratedservices.com/pdf/Details%20of%20familiarization%20programmes%20imparted%20to%20independent%20directors.pdf>

SUBSIDIARY COMPANIES

Pursuant to Section 129 of the Companies Act, 2013, the Company has prepared its Consolidated Financial Statement along with all its subsidiaries, in the same form and manner, as that of the Company, which shall be laid before its ensuing Eleventh 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, 2018, form part of this Annual Report.

For the performance and financial position of each of the subsidiaries of the Company, along with other related information required pursuant to Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014, the Members are requested to refer to the Financial Statements of the Company.

Further pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are also available on the website of the Company. Shareholders may write to the Company for the annual financial statements and detailed information on subsidiary companies. Further, the documents shall also be available for inspection by the shareholders at the registered office of the Company.

COMMITTEES OF THE BOARD

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

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

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

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

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

The Company has zero tolerance towards harassment at the workplace and has constituted an Internal Complaints Committee and also adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

During the financial year 2017-18, no case of sexual harassment was reported.

APPLICABILITY OF MAINTENANCE OF COST RECORDS

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

VIGIL MECHANISM

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

Directors' Report (contd.)

GREEN INITIATIVES

Electronic copies of the Annual Report 2017-18 and Notice of the Eleventh AGM are being sent to all the members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2017-18 and Notice of the Eleventh AGM will be sent in the permitted mode.

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

ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors

Manvinder Singh Walia
Executive Director
DIN: 07988213

Ajit Kumar Mittal
Director
DIN: 02698115

Date: August 20, 2018
Place : Gurugram

ANNEXURE 1

SECRETARIAL AUDIT REPORT For the Financial Year ended on March 31, 2018

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

To,
The Members
Indiabulls Integrated Services Limited
(formerly SORIL Holdings and Ventures Limited and Indiabulls Wholesale Services Limited)
M-62 & 63, First Floor,
Connaught Place,
New Delhi – 110 001

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

Based on my verification of books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company, has during the audit period covering the financial year ended on 31.03.2018 complied with various statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the Year ended 31.03.2018 according to the provisions of the following, as amended from time to time, and to the extent applicable :-

- i) The Companies Act, 2013 (the Act) and Rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye – Laws framed thereunder;
- iv) The provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

Directors' Report (contd.)

- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi) Other Laws Applicable to the Company as a Business Unit and Other Offices:
 - (a) **Taxation Laws** – For reporting on this segment we bestowed our trust and relied on the expert knowledge of Company's Auditor; our report is strictly based on affirmative Audit report (being expert in his realm) of the Company thus inhibit to add further inputs.
 - (b) **Environment Laws** – The Environment (Protection) Act, 1986; Air (Prevention and Control of Pollution) Act, 1981; Water (Prevention and Control of Pollution) Act, 1974; Water (Prevention and Control of Pollution) Cess Act, 1977;
 - (c) **Labour and Social Security Laws** – Employees State Insurance Act, 1948; Payment of Wages Act, 1936; Minimum Wages Act, 1948; Industrial Disputes Act, 1947; Payment of Bonus Act, 1965; Payment of Gratuity Act, 1972; Contract Labor (Regulation and Abolition) Act, 1970; Maternity Benefit Act, 1961; The Equal Remuneration Act 1976; Employees Provident Funds And Miscellaneous Act, 1952.
 - (d) **IT Related Laws** – Information Technology Act, 2000;
 - (e) **Miscellaneous Laws** – Electricity Act, 2003; Sexual Harassment of Women at Workplace (Prevention, Prohibition and Regulation) Act, 2013

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

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

It is further reported that:

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

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

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

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

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

- (a) enhanced the borrowing limits of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013 to ₹ 1,000 Crores at the Annual General Meeting of the Company held on September 28, 2017;
- (b) amended the Articles of Association of the Company in compliance with SEBI Circular no. CIR/IMD/DF-1/67/2017 dated June 30, 2017 at the Annual General Meeting of the Company held on September 28, 2017;
- (c) granted an aggregate of 45,66,600 Stock Options under the Company's Employee Stock Option Scheme, representing an equal number of equity shares of face value of ₹ 2/- each in the Company, at an exercise price of ₹ 105.20;
- (d) issued and allotted an aggregate of 3,50,00,000 (Three Crores Fifty Lacs) Warrants on January 2, 2018, convertible into an equivalent number of equity shares of face value of ₹ 2 each of the Company, at an exercise price of

₹ 132/- (including a premium of ₹ 130/-) per equity share to certain Promoter Group entities, pursuant to and in terms of shareholders' authorization dated December 16, 2017, in accordance with Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended. Out of said 3.50 crore warrants, the Company, on March 19, 2018, issued and allotted an aggregate of 41,00,000 equity shares upon exercise/ conversion of equivalent number of warrants, to the promoter group entities.

- (e) decided to venture into new business streams of life and general insurance, through its wholly owned subsidiaries. To achieve the same and to venture into Commercial Life Insurance business, the Company acquired 'Indiabulls Life Insurance Company Limited', a non-operational company with no business or license, and subsequently invested and capitalized it to the tune of ₹ 110 Crores. Further, to undertake and pursue Commercial General Insurance business, 'Indiabulls General Insurance Limited' has been incorporated as a wholly-owned subsidiary of the Company.

Place: New Delhi
Date: July 18, 2018

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

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

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

CSR Policy is as posted at the website of the Company at web link:
<http://www.indiabullsintegratedservices.com/pdf/CSR%20Policy.pdf>

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

Mr. Shamsher Singh Ahlawat, Chairman (Independent Director)
 Mr. Ajit Kumar Mittal, Member (Non-Executive Director)
 Mr. Manvinder Singh Walia, Member (Executive Director)

3. **Average Net Profit of the Company for last three financial years:** ₹ 38.08 lacs
4. **Prescribed CSR expenditure (two percent of the amount as in item 3 above):** ₹ 76,155
5. **Details of CSR expenditure for the financial year 2017-18:**
 - (a) **Total amount spent for the financial year:** ₹ 80,000
 - (b) **Amount unspent, if any:** Nil
 - (c) **Manner in which the amount spent during the financial year is detailed below:**

(Amount in ₹)

1	2	3	4		5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or Programs		Amount outlay (budget) projects or programme wise	Amount spent on projects or programs Sub Heads:	Cumulative expenditure up to 31st March, 2017	Amount spent directly or through implementing agency
			District	State				
1	Disaster Management & Relief	Disaster Relief	Pan India	Pan India	80,000		-	Implementing Agency (Indiabulls Foundation)
	TOTAL				80,000	-	-	

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

During the financial year 2017-18, the Company has contributed its entire CSR expenditure aggregating to ₹ 80,000 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 2017-18, the implementation and monitoring of CSR Policy of the Company were environmental friendly and in compliance with the applicable laws, CSR objectives and Policy of the Company.

For Indiabulls Integrated Services Limited

Date: August 20, 2018	Manvinder Singh Walia Executive Director DIN: 07988213	Ajit Kumar Mittal Director DIN: 02698115	Shamsher Singh Ahlawat Chairman - CSR Committee DIN: 00017480
Place: Gurugram			

Directors' Report (contd.)

ANNEXURE 3

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2018

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

I REGISTRATION & OTHER DETAILS

i	CIN	L51101DL2007PLC166209
ii	Registration Date (Date of Incorporation)	24-July-2007
iii	Name of the Company	Indiabulls Integrated Services Limited (formerly SORIL Holdings and Ventures Limited and Indiabulls Wholesale Services Limited)
iv	Category/Sub-category of the Company	Public 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 Integrated Services Limited) Karvy Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032 Tel : 040-67162222, Fax: 040-23001153 E-mail: einward.ris@karvy.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

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

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable section
1	SORIL Infra Resources Limited (formerly Store One Retail India Limited), M - 62 & 63, First Floor, Connaught Place, New Delhi 110001	L52190DL2005PLC181536	Subsidiary	73.85	Section 2(87) of Companies Act, 2013
2	Lucina Infrastructure Limited M - 62 & 63, First Floor, Connaught Place, New Delhi 110001	U70109DL2006PLC151156	Subsidiary	100.00	Section 2(87) of Companies Act, 2013
3	Sentia Properties Limited M - 62 & 63, First Floor, Connaught Place, New Delhi 110001	U45400DL2007PLC169097	Subsidiary	100.00	Section 2(87) of Companies Act, 2013
4	Albasta Wholesale Services Limited M - 62 & 63, First Floor, Connaught Place, New Delhi 110001	U51101DL2008PLC177216	Subsidiary	100.00	Section 2(87) of Companies Act, 2013
5	Mahabala Infracon Private Limited M-62 & 63, First Floor, Connaught Place, New Delhi 110001	U70102DL2014PTC272579	Subsidiary	100.00	Section 2(87) of Companies Act, 2013
6	Ashva Stud And Agricultural Farms Limited M - 62 & 63, First Floor, Connaught Place, New Delhi 110001	U74999DL2015PLC288217	Subsidiary	100.00	Section 2(87) of Companies Act, 2013
7	Indiabulls Life Insurance Company Limited M - 62 & 63, First Floor, Connaught Place, New Delhi 110001	U66000DL2007PLC171001	Subsidiary	100.00	Section 2(87) of Companies Act, 2013

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable section
8	Indiabulls General Insurance Limited M - 62 & 63, First Floor, Connaught Place, New Delhi 110001	U66000DL2018PLC328939	Subsidiary	100.00	Section 2(87) of Companies Act, 2013
9	Airmid Aviation Services Limited M - 62 & 63, First Floor, Connaught Place, New Delhi 110001	U62200DL2007PLC166080	Subsidiary	Nil	Section 2(87) of Companies Act, 2013
10	Store One Infra Resources Limited M - 62 & 63, First Floor, Connaught Place, New Delhi 110001	U70200DL2015PLC287160	Subsidiary	Nil	Section 2(87) of Companies Act, 2013

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/HUF	1,50,000	0	1,50,000	0.30	1,50,000	0	1,50,000	0.27	-0.03
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	1,68,83,988	0	1,68,83,988	33.29	2,09,83,988	0	2,09,83,988	38.28	4.99
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
SUB TOTAL: (A) (1)	1,70,33,988	0	1,70,33,988	33.59	2,11,33,988	0	2,11,33,988	38.55	4.96
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	1,70,33,988	0	1,70,33,988	33.59	2,11,33,988	0	2,11,33,988	38.55	4.96
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	1,01,573	0	1,01,573	0.2	17,986	0	17,986	0.03	-0.17
c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d) State Government	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs/FPIs	97,601	0	97,601	0.19	28,15,363	0	28,15,363	5.14	4.95
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(1):	1,99,174	0	1,99,174	0.36	28,33,349	0	28,33,349	5.17	4.78

Directors' Report (contd.)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
(2) Non Institutions									
a) Bodies Corporate									
i) Indian	59,36,555	0	59,36,555	11.70	74,76,472	0	74,76,472	13.64	1.93
ii) Overseas	0	0	0	0.00	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	1,40,79,561	5,239	1,40,84,800	27.78	1,19,95,813	5,238	1,20,01,051	21.89	-5.88
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1,25,77,114	0	1,25,77,114	24.80	1,05,77,599	-	1,05,77,599	19.30	-5.50
c) Others (specify)									
i) Non-Resident Indians	4,68,165	1	4,68,166	0.92	5,87,251	1	5,87,250	1.07	0.15
ii) Foreign Nationals	0	15,000	15,000	0.03	0	15,000	15,000	0.03	0
iii) Clearing Members	4,01,469	0	4,01,469	0.79	77,446	0	77,446	0.14	-0.65
iv) NBFCs registered with RBI	2,227	0	2,227	0.00	1,16,337	0	1,16,337	0.21	0.21
SUB TOTAL (B)(2):	3,34,65,091	20,240	3,34,85,331	66.02	3,08,30,917	20,239	3,08,51,156	56.28	-9.74
Total Public Shareholding (B)= (B)(1)+(B)(2)	3,36,64,265	20,240	3,36,84,505	66.41	3,36,64,266	20,239	3,36,84,505	61.45	-4.96
C. Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter group	0	0	0	0.00	0	0	0	0	0
Public	0	0	0	0.00	0	0	0	0	0
Grand Total (A+B+C)	5,06,98,253	20,240	5,07,18,493	100.00	5,47,98,254	20,239	5,48,18,493	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1.	Mr. Sameer Gehlaut	150,000	0.30	0.00	150,000	0.27	0.00	-0.03
2.	Kritikka Infrastructure Private Limited	85,53,576	16.87	0.00	85,53,576	15.60	0.00	-1.26
3.	Jyestha Infrastructure Private Limited	83,30,412	16.42	0.00	83,30,412	15.20	0.00	-1.23
4.	Powerscreen Media Private Limited	0	0.00	0.00	10,25,000	1.87	0.00	1.87
5.	Calleis Real Estate Private Limited	0	0.00	0.00	10,25,000	1.87	0.00	1.87
6.	Calleis Constructions Private Limited	0	0.00	0.00	10,25,000	1.87	0.00	1.87
7.	Calleis Properties Private Limited	0	0.00	0.00	10,25,000	1.87	0.00	1.87
8.	Karanbhumi Estates Private Limited*	0	0.00	0.00	0	0.00	0.00	0.00
9.	Meru Minerals Private Limited*	0	0.00	0.00	0	0.00	0.00	0.00
10.	Dahlia Infrastructure Private Limited*	0	0.00	0.00	0	0.00	0.00	0
11.	Galax Minerals Private Limited*	0	0.00	0.00	0	0.00	0.00	0
	TOTAL	1,70,33,988	33.59	0.00	2,11,33,988	38.55	0.00	4.96

*Acting as PACs with the Promoters.

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

	Shareholding		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	1,70,33,988	33.59	-	-
Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc.) [#]	-	#	-	#
At the end of the year	2,11,33,988	38.55	-	-

Directors' Report (contd.)

Date wise increase/decrease in Promoter Shareholding

Sl. No.	Name of the Promoter	Shareholding of Promoters		Date	Increase/ (Decrease)	Reason of such Change	Cumulative Shareholding during the year (01.04.2017-31.03.2018)	
		No. of Shares at the beginning (01.04.2017)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1.	Mr. Sameer Gehlaut	1,50,000	0.30	-	-	-		
		At the end of the year (31.03.2018)					1,50,000	0.27*
2.	Kritikka Infrastructure Private Limited	85,53,576	16.87					
		At the end of the year (31.03.2018)					85,53,576	15.60*
3.	Jyestha Infrastructure Private Limited	83,30,412	16.42	-	-	-		
		At the end of the year (31.03.2018)					83,30,412	15.20*
4.	Powerscreen Media Private Limited	0	0.00	-	-	-	0	0.00
				March 19, 2018	10,25,000	conversion of warrants	10,25,000	1.87
		At the end of the year (31.03.2018)					10,25,000	1.87
5.	Calleis Real Estate Private Limited	0	0.00	-	-	-	0	0.00
				March 19, 2018	10,25,000	conversion of warrants	10,25,000	1.87
		At the end of the year (31.03.2018)					10,25,000	1.87
6.	Calleis Constructions Private Limited	0	0.00	-	-	-	0	0.00
				March 19, 2018	10,25,000	conversion of warrants	10,25,000	1.87
		At the end of the year (31.03.2018)					10,25,000	1.87
7.	Calleis Properties Private Limited	0	0.00	-	-	-	0	0.00
				March 19, 2018	10,25,000	conversion of warrants	10,25,000	1.87
		At the end of the year (31.03.2018)					10,25,000	1.87
8.	Karanbhumi Estates Private Limited	0	0.00	-	-	-	0	0.00
		At the end of the year (31.03.2018)					0	0.00
9.	Meru Minerals Private Limited	0	0.00	-	-	-	0	0.00
		At the end of the year (31.03.2018)					0	0.00
10.	Dahlia Infrastructure Private Limited	0	0.00	-	-	-	0	0.00
		At the end of the year (31.03.2018)					0	0.00
11.	Galax Minerals Private Limited	0	0.00	-	-	-	0	0.00
		At the end of the year (31.03.2018)					0	0.00

*effect of conversion of Warrants.

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

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.	Chartered Finance & Leasing Limited [§]	0	0.00	1408872	2.57
2.	TIMF Holdings [§]	0	0.00	1197424	2.18
3.	Padmanabh Realities LLP [§]	0	0.00	1047940	1.91
4.	Riddhi Portfolio Private Limited [§]	0	0.00	900000	1.64
5.	Amit Goel [§]	0	0.00	809276	1.48
6.	Madhusudan Kela [§]	0	0.00	767415	1.40
7.	Sushil Bahety [§]	0	0.00	542166	0.99
8.	Four Dimensions Securities (India) Ltd [§]	0	0.00	520000	0.95
9.	BNP Paribas Arbitrage [§]	19115	0.04	510336	0.93
10.	Ashish Damani [#]	508121	1.00	501544	0.91
11.	Anil Bansilal Lodha*	4063394	8.01	0	0.00
12.	ABL Infrastructure Private Limited*	1666142	3.29	100000	0.18
13.	Vibgyor Investors and Developers Pvt Ltd*	500000	0.99	0	0.00
14.	Runner Marketing Pvt Ltd*	500000	0.99	0	0.00
15.	Manish Rathi*	500000	0.99	125000	0.23
16.	Kalpana S Khandelwal*	434091	0.86	434091	0.79
17.	Sunil Ghanshyamdas Khandelwal*	310000	0.61	268000	0.49
18.	Marudhar Vyapaar Private Limited*	300000	0.59	0	0.00
19.	Sarla Damani*	300000	0.59	300000	0.55
20.	Nafees Ahmed*	300000	0.59	240000	0.44

[§]Top 10 Shareholders as on March 31, 2018 only.

*Top 10 Shareholders as on March 31, 2017 only.

[#]Top 10 shareholders as on April 1, 2017 and March 31, 2018.

[^]99.96% of paid-up Equity share capital of the Company is held in dematerialized form. These are traded on a daily basis at BSE & NSE; hence, date wise increase/decrease in shareholding is not indicated.

Directors' Report (contd.)

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding			Date wise Increase/ Decrease in shareholding during the year specifying the reasons for increase/ decrease	Cumulative Shareholding during the year (01-Apr-2017 to 31-Mar-2018)	
		Date [beginning of the year (01-Apr-2017) / end of the year (31-Mar-2018)]	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
A.	Shareholding of Directors						
1.	Col. (Retd.) Surinder Singh Kadyan, Executive Director	01-Apr-2017	0	0.00	-	0	0
		31-Mar-2018	*	-	-	-	-
2.	Mr. Mehul Johnson, Non-Executive Director	01-Apr-2017	24,375	0.05	-	0	0
		31-Mar-2018	*	-	-	-	-
3.	Ms. Pia Johnson, Non-Executive Director	01-Apr-2017	0	0.00	-	0	0.00
		31-Mar-2018	*	-	-	-	-
4.	Mr. Shamsher Singh Ahlawat, Independent Director	01-Apr-2017	0	0.00	-	0	0.00
		31-Mar-2018	0	0.00	-	0	0.00
5.	Mr. Joginder Singh Kataria, Independent Director	01-Apr-2017	25	0.00	-	25	0.00
		31-Mar-2018	*	-	-	-	-
6.	Mr. Rajinder Singh Nandal, Independent Director	01-Apr-2017	0	0.00	-	0	0.00
		31-Mar-2018	*	-	-	-	-
7.	Mr. Manvinder Singh Walia, Executive Director	01-Apr-2017	#	-	-	-	-
		31-Mar-2018	0	0.00	-	0	0.00
8.	Mr. Ajit Kumar Mittal, Non-Executive Director	01-Apr-2017	#	-	-	-	-
		31-Mar-2018	0	0.00	-	0	0.00
9.	Mr. Akshay Gupta, Non-Executive Director	01-Apr-2017	#	-	-	-	-
		31-Mar-2018	0	0.00	-	0	0.00
10.	Mr. Gurruppa Gopalakrishna, Independent Director	01-Apr-2017	#	-	-	-	-
		31-Mar-2018	0	0.00	-	0	0.00
11.	Justice Gyan Sudha Misra (Retd.), Independent Director	01-Apr-2017	#	-	-	-	-
		31-Mar-2018	0	0.00	-	0	0.00
B.	Shareholding of KMPs other than MD/ WTD/ Manager						
1.	Mr. Saurabh Garg, Chief Financial Officer	01-Apr-2017	0	0.00	-	0	0.00
		31-Mar-2018	0	0.00	-	0	0.00
2.	Ms. Priya Jain, Company Secretary	01-Apr-2017	0	0.00	-	0	0.00
		31-Mar-2018	0	0.00	-	0	0.00

*ceased to be director of the Company during FY 2017-18

#appointed as director on the Board of the Company during FY 2017-18

V. INDEBTEDNESS

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

(Amount in ₹)

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (in ₹)
1	Gross salary	Col. (Retd.) Surinder Singh Kadyan, Executive Director*	Mr. Manvinder Singh Walia, Executive Director#	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-		-
	(b) Value of perquisites/s17(2) of the Income tax Act, 1961	-		-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-		-
2	Stock option	-		-
3	Sweat Equity	-		-
4	Commission (as % of profit/others)	-		-
5	Others	-		-
	Total (A)	-		-
	Ceiling as per the Act	Not Applicable as no remuneration was paid to these Executive Director(s) during the year ended March 31, 2018.		

*ceased to be director of the Company during FY 2017-18

#appointed as director on the Board of the Company during FY 2017-18.

Directors' Report (contd.)

B. Remuneration to other Directors:

Sl. No	Particulars of Remuneration	Name of Directors					Total Amount (In ₹)
1	Independent Directors	Mr. Shamsher Singh Ahlawat	Mr. Joginder Singh Kataria*	Mr. Rajinder Singh Nandal*	Justice Gyan Sudha Misra[#]	Mr. Gurrappa Gopalakrishna[#]	
	(a) Fee for attending board/ committee meetings	50,000	-	-	50,000	50,000	1,50,000
	(b) Commission	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-
	Total (1)	50,000	-	-	50,000	50,000	150,000
2	Other Non-Executive Directors	Mr. Mehul Johnson*	Ms. Pia Johnson*	Mr. Ajit Kumar Mittal[#]	Mr. Akshay Gupta[#]		
	(a) Fee for attending board/ committee meetings	-	-	-	-	-	-
	(b) Commission	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	-
	Total Managerial Remuneration	-					
	Overall ceiling as per the Act	Not Applicable as no remuneration except sitting fees was paid to any of the Directors of the Company during the year ended March 31, 2018.					

*ceased to be director of the Company during FY 2017-18

[#]appointed as director on the Board of the Company during FY 2017-18

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total (In ₹)
		Ms. Priya Jain, Company Secretary	Mr. Saurabh Garg, CFO	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	15,93,294.00	0.00	15,93,294.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961*	38,664.00	0.00	38,664.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00
2	Stock option*	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission (as % of profit/ others)	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00
	Total	16,31,958.00	0.00	16,31,958.00

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

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

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 2017-18.

Not applicable because no remuneration, except sitting fees, was paid to any of the Directors during the FY 2017-18.

Percentage increase in remuneration of each director and Key Managerial Personnel in FY 2017-18.

Designation	Increase in Remuneration (%)
Company Secretary	19.38%

No remuneration was paid to other KMPs, except as aforesaid, during the FY 2017-18.

The percentage increase in the median remuneration of employees in the FY 2017-18.

The percentage increase in the median remuneration of all the employees (including KMPs), computed on the basis of median remuneration for FY 2017-18 and FY 2016-17 was 18.53%.

Number of permanent employees on the rolls of Company

The Company had 13 employees on its permanent rolls, as of March 31, 2018.

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

The average percentile increase made in the salaries of total employees other than the key managerial personnel, for FY 2017-18 is around 17.00%, while the average percentile increases in the remuneration of key managerial personnel is around 18.91%.

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

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

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

For and on behalf of the Board of Directors

Manvinder Singh Walia
Executive Director
DIN: 07988213

Ajit Kumar Mittal
Director
DIN: 02698115

Date: August 20, 2018
Place : Gurugram

ECONOMIC OVERVIEW

Over the past decade, the Indian economy has passed through phases of growth and slowdown. The macroeconomic situation in India has improved significantly during last couple of financial years. The markets have begun to respond to this favorable change, with the national indices hitting all time high.

FY 2017-18 marked significant measures by Indian Government vis-à-vis includes smooth implementation of Goods and Services Tax (GST) as the nation moved to 'one nation-one tax' and liberalization of FDI policies for offering ease of doing Business in Country. As a result of the reforms, the international rating agency Moody's Investors Service has upgraded India's sovereign credit ratings to Baa2 (stable) from Baa3 (positive) after a gap of around 13 years. Reflecting the cumulative initiatives by the Government of India to improve the business climate, India jumped 30 spots on the World Bank's Ease of Doing Business rankings.

Initially, post disruption by demonetization and implementation of GST regime, Indian's GDP rebounded significantly in the second half phase post stabilization of GST. India's GDP growth, making it one of the world's fastest growing major economies and it is expected to be amongst the top economics powers of the world over the next few years. The Government of India's positive policy initiatives, low interest rates, declining fiscal deficit and moderate inflation paced the growth rate of Indian economy. Central Government along with Reserve Bank of India (RBI) has announced several legislative and policy reforms, which have resulted in improvements on the macro-economic front, reflecting in acceleration of India's GDP growth and increase in India's Foreign Direct Investment inflows. The government has already indicated its desire to revive the investment cycle and to empower the bureaucracy to ensure successful execution of the government's plans and initiatives, improving the ease of doing business, accelerating the project related approvals, easing FDI policies, pushing hard for infrastructure, improvement in monetary policies, addressing of non-performing loans, creating smart cities etc.

BUSINESS OVERVIEW

During the financial year 2017-18, the Company, directly and through its subsidiaries, was primarily engaged in the businesses of real estate development, providing management and maintenance services, equipment renting, construction advisory and other related services, charter business of aircraft, LED Lighting, trade in all kinds of sculptures, paintings and art graphics etc.

In order to achieve diversification; during the said year, the Company announced venturing into new business streams such as Life and General Insurance, Consumer Platform and other financial services activities, through its subsidiaries, and to achieve the same, has already engaged with the relevant regulatory authorities for obtaining necessary regulatory approvals to pursue Life Insurance and General Insurance businesses. Your Company is all set to start functioning in the field of insurance business as and when its subsidiaries get nod from IRDA.

BUSINESS OUTLOOK

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

Further, post liberalization, the insurance industry in India has recorded significant growth driven by a multitude of factors including dynamic regulatory changes, global financial meltdown, evolving consumer behavior and a changing competitive landscape. The overall Indian insurance industry is expected to reach US\$ 280 billion by FY2020, owing to the solid economic growth, government initiatives and higher personal disposable incomes in the country.

Overall insurance penetration in India reached 3.69 per cent in 2017 from 2.71 per cent in 2001. Gross premium in Indian insurance industry increased from Rs 3.2 trillion (US\$ 49 billion) in FY12 to Rs 4.6 trillion (US\$72 billion) in FY18 (up to December 2017).

Management Discussion and Analysis (contd.)

The domestic life insurance industry registered 10.99 per cent y-o-y growth for new business premium in 2017-18, generating a revenue of Rs 1.94 trillion (US\$ 30.1 billion). In Q1 FY19, premium from new life insurance business increased 10.78 per cent year-on-year to Rs 367.30 billion (US\$ 5.48 billion).

Gross direct premiums of non-life insurers in India reached Rs 1.51 trillion (US\$ 23.38 billion) in FY18. Over FY12-18, non-life insurance premiums (in Rs) increased at a CAGR of 16.65 per cent. In April-May 2018, the gross direct premiums of non-life insurers reached Rs 24,397.09 crore (US\$ 3.79 billion), showing a year-on-year growth rate of 11.96 per cent.

STRENGTHS AND OUR STRATEGY

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

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

Insurance distribution capability, vast network and customer base

The Company is a part of the Indiabulls Group, which has a strong distribution network and large retail customer base. Through its financial services businesses across product segments i.e. home loans, retail consumer loans, business loans, securities brokerage, wealth management and distribution of financial products, the Group caters to over 25 Lakh customers through a pan-India network of branches in over 300 locations.

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

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

Strong Capital base

The insurance business requires huge capital and as a sign of commitment and conviction towards the proposed insurance business, the Company is prepared to support the capital requirements of the insurance business in line with regulatory requirements and as may be required for business expansion. To capitalize and fund these businesses and to augment Company's long term resources and to improve its financial leveraging strength, the Promoters of the Company, as a reflection of their confidence in the future of the Company, had committed to infuse further capital aggregating to ₹ 462 crores, out of which, till date they have contributed ₹ 329.34 crores in the Company by subscribing to and exercising convertible warrants, issued in accordance with the members' approval and applicable SEBI regulations. Further, certain foreign investors, as a reflection of their confidence in the proposed businesses of the Company, have, during the current FY, invested an aggregate of ₹ 657.78 crores, towards the preferential issue of equity shares of the Company allotted to them in accordance with the members' approval(s) dated May 22, 2018 and June 11, 2018 and applicable SEBI regulations.

Presence of dynamic leadership and professional management team

The Company and the group companies are headed by professional industry leaders and are overseen by Boards comprising of eminent industry veterans. The Group benefits immensely from the diverse and collective experience of these individuals and the proposed life and general insurance business will also draw from their inputs and experience.

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

Strong brand recognition – creating value to the projects

The Company is a part of the Indiabulls Group, one of the country's leading business houses with business interests in

several businesses, from financial services to real estate development. The Company believes that the brand recognition and trust associated with the brand “Indiabulls” has a cascading effect on company’s existing and proposed business.

Robust systems and process

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

Technological expertise

Indiabulls Group companies are technology leaders within their respective sectors pioneering many cost-effective and customer-centric innovations. The Group has also effectively deployed technology to further expand its reach into the hinterlands. The technology thrust of the Group is customer focused and aims at offering utmost customer convenience and maximum cost effectiveness. While entering into the proposed insurance businesses, the Company shall be highly benefited with group’s technological expertise.

OUR STRATEGY

Our strategy focuses on ensuring that our customer is at the core of everything we do. The Company’s strategy for long term profitable growth is based on continuously scaling its various businesses in India, while investing in new markets and venturing into new businesses.

OPPORTUNITIES: INSURANCE INDUSTRY

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

a) Favourable demographics, economic factors and customer behaviour

India is the second most populous country in the world and amongst the youngest with median age of 27 years. Demographic factors such as growing middle class population, dependency ratio, new family structure and growing awareness of the need for protection and retirement planning continuously adding values in growth of insurance industries.

Going forward, increasing life expectancy, favourable savings and greater employment in the private sector is expected to fuel demand for pension plans. Likewise, strong growth in the automotive industry over the next decade would be a key driver for the motor insurance market. Higher personal disposable incomes would result in higher household savings that will be channelled into different financial savings instruments like insurance and pension policies.

b) Increasing protection gap

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

c) Government and Regulatory initiatives

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

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

Management Discussion and Analysis (contd.)

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

d) Digital Transformation

The Digital transformation in insurance business have given opportunities to reach new customers, establish better communication channel, provide new services beyond traditional insurance. Increasing adoption of technology is driving efficiencies, leading to higher value creation to all stakeholders. In today's changing India, advance technology runs business.

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

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

e) Untapped Market

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

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

THREATS / RISKS & CONCERNS

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

a) Existing competition in the market

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

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

b) Macro-Economic Trends and Increased Regulations

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

c) Liquidity Risk

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

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

d) Investment risk

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

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

TRUST AND TRANSPARENCY: PILLARS OF SUCCESS

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

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

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

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

HUMAN RESOURCES

The Company firmly believes that its employees are the key to driving performance and developing competitive advantage. The emphasis has been on proper recruitment of talent and empowerment while devoting resources for their continuous development. The structured recruitment process, which the Company employs, focuses on recruiting people who have the right mindset for working, supported by structured training programs and internal growth opportunities.

INTERNAL CONTROLS AND THEIR ADEQUACY

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

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

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

CAUTIONARY STATEMENT

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

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

Corporate Governance Report

1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

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

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

2. BOARD OF DIRECTORS (BOARD)

(A) Composition and size of the Board

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

As on March 31, 2018, the Board consisted of six directors of whom one was Executive Director and the remaining five directors were non- executive directors, with three of such directors being Independent Directors (one of them is a Woman Director). The 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, 2018 are as under:

Sl. No.	Name of the Directors [^]	Category of Directorship	No. of Directorships in other Companies [*]	No. of Memberships/ Chairmanships in the Board Committees of various companies (including the Company) ^{**}	
				As Member [#]	As Chairperson
1.	Mr. Manvinder Singh Walia (DIN: 07988213)	Executive Director	1	1	NIL
2.	Mr. Ajit Kumar Mittal (DIN: 02698115)	Non-Executive Director	8	4	2
3.	Mr. Akshay Gupta (DIN: 01272080)	Non-Executive Director	4	2	1
4.	Mr. Gurrappa Gopalakrishna (DIN: 06407040)	Non-Executive Independent Director	2	1	NIL
5.	Justice Gyan Sudha Misra (Retd.) (DIN: 07577265)	Non-Executive Independent Director	2	1	1
6.	Mr. Shamsher Singh Ahlawat (DIN: 00017480)	Non-Executive Independent Director	6	10	5

[^] During the FY 2017-18, Col. (Retd.) Surinder Singh Kadyan (DIN: 03495880), Mr. Mehul Johnson (DIN: 00016075), Mr. Joginder Singh Kataria (DIN: 05202673), Mr. Rajinder Singh Nandal (DIN: 03094903) and Ms. Pia Johnson (DIN: 00722403) have resigned from the office of director(s) of the Company. Accordingly, their details have not been indicated in the above table. Subsequently, in the current FY, on August 18, 2018, Mr. Akshay Gupta (DIN: 01272080) has resigned from the office of director of the Company.

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

^{**} Only memberships/ chairmanships of the Audit Committees and Stakeholders Relationship Committees in various public limited companies, considered.

[#] This includes the chairmanship in the Committees.

As on March 31, 2018, none of the Directors on the Board of the Company were related to each other and none of them (including Non-Executive Directors) held any equity share and/ or convertible instruments of the Company.

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

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

During the financial year 2017-18, the Board met 8 (Eight) times. The dates of the meetings were May 26, 2017, August 03, 2017, August 28, 2017, September 14, 2017, September 28, 2017, November 20, 2017, December 08, 2017 and February 14, 2018. During the year, separate meeting of the Independent Directors was held on November 20, 2017 without the attendance of non-independent directors and the members of the management. All Independent Directors attended the said meeting.

The last Annual General Meeting (AGM) of the Company was held on September 28, 2017.

Attendance of Directors at the Board Meetings held during the FY 2017-18 and at the last Annual General Meeting are as under:

Corporate Governance Report (contd.)

Sl. No.	Name of the Directors	No. of Meetings held during the tenure	No. of Board meetings attended	Attendance at the last AGM
1.	Col. Surinder Singh Kadyan* (DIN: 03495880)	07	07	Yes
2.	Ms. Pia Johnson* (DIN: 00722403)	07	07	No
3.	Mr. Mehul Johnson* (DIN: 00016075)	04	04	No
4.	Mr. Joginder Singh Kataria* (DIN: 05202673)	07	07	Yes
5.	Mr. Rajinder Singh Nandal* (DIN: 03094903)	07	07	Yes
6.	Mr. Shamsher Singh Ahlawat (DIN: 00017480)	08	08	Yes
7.	Mr. Manvinder Singh Walia# (DIN: 07988213)	02	02	N.A.
8.	Mr. Ajit Kumar Mittal# (DIN: 02698115)	02	02	N.A.
9.	Mr. Akshay Gupta# [§] (DIN: 01272080)	02	02	N.A.
10.	Mr. Gurrappa Gopalakrishna# (DIN: 06407040)	02	01 [^]	N.A.
11.	Justice Gyan Sudha Misra (Retd.)# (DIN: 07577265)	02	01 [^]	N.A.

* ceased to be director of the Company during FY 2017-18

appointed as director on the Board of the Company during FY 2017-18

§ ceased to be director of the Company in current FY

[^] Directors could not attend the meeting held on December 8, 2017, due to their travelling schedule.

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. Upon re-constitution of Board of the Company during the FY 2017-18, these committees were re-constituted.

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

(A) Audit Committee

Composition

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

Terms of reference of the Audit Committee

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

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

- To examine the auditors' report on financial statements of the Company (in addition to the financial statements) before submission to the Board;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Monitoring the end use of funds raised through public offers and related matters as and when such funds are raised and also there viewing with the management the utilization of the funds so raised, for purposes other than those stated in the relevant offer document, if any and making appropriate recommendations to the Board in this regard;
- Evaluation of the risk management systems (in addition to the internal control systems);
- Review and monitoring of the performance of the statutory auditors and effectiveness of the audit process;
- To hold post audit discussions with the auditors to ascertain any area of concern;
- To review the functioning of the whistle blower mechanism;
- Approval to the appointment of the CFO after assessing the qualifications, experience and background etc. of the candidate.

Meetings and Attendance during the year

During the FY 2017-18, the Audit Committee met four times. The dates of the meetings being May 26, 2017, September 14, 2017, December 08, 2017 and February 14, 2018.

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

Name of the Member	No. Meetings held during the tenure	No. of Meetings attended
Mr. Joginder Singh Kataria*	3	3
Mr. Mehul Johnson*	2	2
Mr. Shamsher Singh Ahlawat	4	4
Ms. Pia Johnson^	1	1
Justice Gyan Sudha Misra (Retd.)**	1	1
Mr. Gurrappa Gopalakrishna**	1	1

* ceased to be member of the Committee during FY 2017-18

^ during FY 2017-18, inducted to the Committee w.e.f. September 28, 2017 and ceased to be member of the Committee w.e.f. December 8, 2017

** inducted to the Committee during FY 2017-18.

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

All the recommendations made by the Audit Committee were accepted by the Board.

(B) Nomination & Remuneration Committee

Composition

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

Corporate Governance Report (contd.)

Terms of reference

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

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

Meetings and Attendance during the year

During the FY 2017-18, the Committee met two times. The dates of meetings being September 4, 2017 and December 8, 2017.

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

Name of the Member	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Shamsher Singh Ahlawat	2	2
Mr. Rajinder Singh Nandal*	2	2
Mr. Mehul Johnson*	1	1
Ms. Pia Johnson ^	1	1
Justice Gyan Sudha Misra (Retd.)#	Nil	N.A.
Mr. Ajit Kumar Mittal#	Nil	N.A.
Mr. Akshay Gupta# §	Nil	N.A.

* ceased to be member of the Committee during FY 2017-18

^ during FY 2017-18, inducted to the Committee w.e.f. September 28, 2017 and ceased to be member of the Committee w.e.f. December 8, 2017

inducted to the Committee during FY 2017-18.

§ ceased to be member of the Committee in current FY.

Policy for selection and appointment of Directors

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

- (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, real estate, retail, facility management, hospitality, 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/or Key Managerial Personnel, for approval by Board of Directors of the Company, subject to the approval of its shareholders, wherever necessary. The Remuneration Policy is also available at the website of the Company, at web-link: https://www.indiabullsin Integrated Services.com/pdf/Remuneration%20Policy_IBULISL.pdf

Performance Evaluation criteria for Independent Directors

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the N&R Committee has laid down the criteria for performance evaluation of Independent Directors, which inter-alia covers level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board of Directors except the Directors subject to evaluation. The Directors expressed their satisfaction with the evaluation process.

Policy on Board Diversity

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

Directors' Remuneration:

(i) Remuneration of Executive Director

During FY 2017-18, Col. Surinder Singh Kadyan, Executive Director, who resigned from directorship of the Company w.e.f. December 8, 2017, did not draw any remuneration from the Company, during his tenure with the Company.

Mr. Manvinder Singh Walia, who was appointed as Executive Director of the Company w.e.f. December 8, 2017, does not draw any remuneration from the Company.

(ii) Remuneration of Non-Executive Director

With changes in the corporate governance norms brought in by the Companies Act, 2013 as well as SEBI (LODR) Regulations, 2015, the role of Non-Executive Directors (NED) and the degree and quality of their engagement with the Board and the Company has undergone significant changes over a period of time. The Company is being hugely benefited from the expertise, advice and inputs provided by the NEDs. They devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestion and guidance to the management of the Company. The Company is making payment of fee/remuneration payable to its NEDs in accordance with the provisions of the Companies Act, 2013 and SEBI LODR. The Company has placed on its website, criteria for making payment to Non- Executive Directors. During the FY ended March 31, 2018, the Independent Directors have been paid sitting fees for attending the Board meetings of the Company. Except sitting fees, the Non-Executive Directors have not been paid any remuneration / Bonus / Severance fees / Performance Linked Incentives or by way of any other benefits, during the FY 2017-18.

The Company has not issued any stock option to its Non-Executive Directors.

There were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company.

Corporate Governance Report (contd.)

(C) Stakeholders Relationship Committee

Composition

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

Terms of Reference

- To approve requests for share transfers and transmissions;
- To approve the requests pertaining to remat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc.;
- To oversee all matters encompassing the shareholders' / investors' related issues.

Meetings and Attendance during the year

During the FY 2017-18, the Committee met four times. The dates of the meetings were April 3, 2017, July 3, 2017, October 3, 2017 and January 3, 2018.

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

Name of the Member	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Rajinder Singh Nandal*	3	3
Mr. Mehul Johnson*	2	2
Col. Surinder Singh Kadyan*	3	3
Ms. Pia Johnson^	1	1
Mr. Ajit Kumar Mittal#	1	1
Mr. Manvinder Singh Walia#	1	1
Mr. Akshay Gupta# §	1	1

* ceased to be member of the Committee during FY 2017-18

^ during FY 2017-18, inducted to the Committee w.e.f. September 28, 2017 and ceased to be member of the Committee w.e.f. December 8, 2017

inducted to the Committee during FY 2017-18.

§ ceased to be member of the Committee in current FY.

Name and designation of Compliance Officer

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

Details of queries / complaints received and resolved during the year 2017-18

Sl. No.	Particulars	Opening	Received	Disposed	Pending
1.	Letters from SEBI / Stock Exchange	0	3	3	0
2.	Non-receipt of dividend	0	3	3	0
3.	Non-receipt of shares	0	1	1	0
	Total	0	7	7	0

(D) Corporate Social Responsibility (CSR) Committee**Composition**

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

Terms of Reference of Corporate Social Responsibility

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

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

Meetings and Attendance during the year

During the FY 2017-18, the Committee met two times. The dates of the meetings were February 02, 2018 and March 28, 2018. The attendance record of Committee members in respect of the meetings so held is depicted in the table given below:

Name of the Member	No. of meetings held during the tenure	No. of meetings attended
Mr. Shamsheer Singh Ahlawat	2	2
Col. Surinder Singh Kadyan*	Nil	N.A.
Mr. Mehul Johnson*	Nil	N.A.
Ms. Pia Johnson^	Nil	N.A.
Mr. Ajit Kumar Mittal**	2	2
Mr. Manvinder Singh Walia**	2	2

* ceased to be member of the Committee during FY 2017-18

^ during FY 2017-18, inducted to the Committee w.e.f. September 28, 2017 and ceased to be member of the Committee w.e.f. December 8, 2017

** inducted to the Committee during FY 2017-18.

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

4. GENERAL BODY MEETINGS**(A) Location and time of last three Annual General Meetings (AGMs) and number of special resolutions passed thereat:**

Year	Meeting	Location	Date	Time	No. of special resolutions passed
2014-15	8 th AGM	Centaur Hotel, IGI Airport, Delhi Gurgaon Road, New Delhi – 110 037	September 28, 2015	05:00 P.M.	1
2015-16	9 th AGM	Mapple Emerald, Rajokri, NH-8, New Delhi-110038	September 26, 2016	04:00 P.M.	2
2016-17	10 th AGM	Mapple Emerald, Rajokri, NH-8, New Delhi-110038	September 28, 2017	02:00 P.M.	3

Corporate Governance Report (contd.)

(B) Special Resolutions passed during the financial year 2017-18 through Postal Ballot:

During the financial year 2017-18, no resolution was passed by the Company through Postal Ballot process and hence, procedure for postal ballot is not given.

5. MEANS OF COMMUNICATION

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

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

6. GENERAL SHAREHOLDERS' INFORMATION

(A) Company Registration Details

The Company is registered in the NCT of Delhi, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L51101DL2007PLC166209.

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

The 11th AGM of the Company would be held on the day, date, time and venue as mentioned in the Notice convening the said AGM.

(C) Financial year

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

(D) Date of Book Closure

The dates of Book Closure for the purpose of AGM are mentioned in the Notice convening the 11th AGM of the Company.

(E) Dividend Payment date

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

(F) Listing on Stock Exchanges

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

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

National Stock Exchange of India Limited (NSE)

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

The listing fees for the financial year 2018-19, have been paid to BSE and NSE.

(G) Stock Code

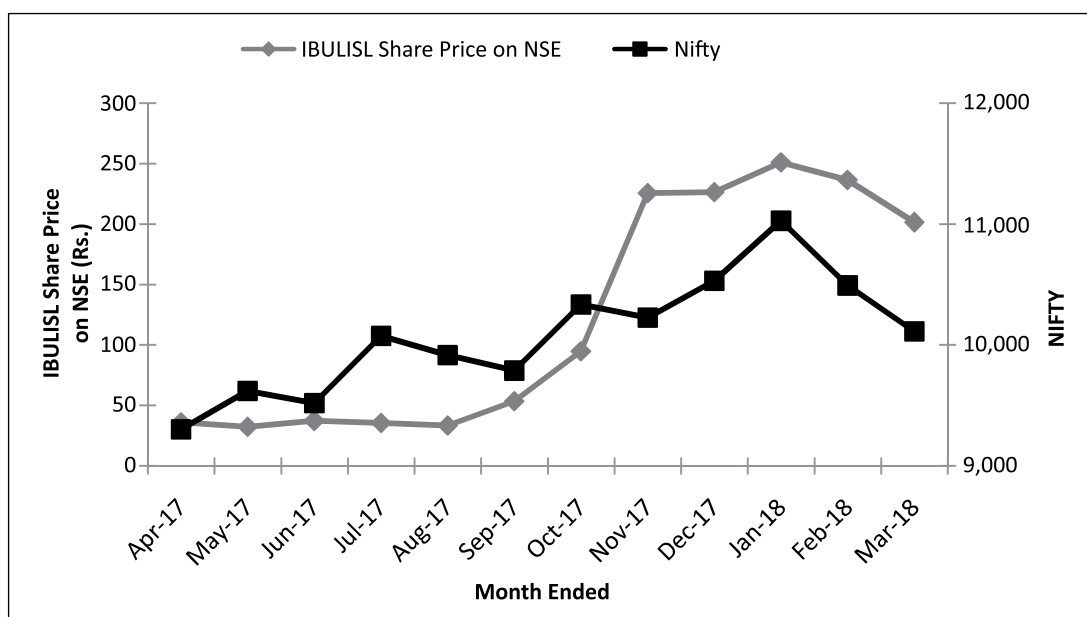
BSE Limited – 533520
 National Stock Exchange of India Limited – IBULISL*
 ISIN for Dematerialization – INE126M01010

* Consequent to change in name of the Company from 'SORIL Holdings and Ventures Limited' to 'Indiabulls Integrated Services Limited', the symbol of the Company on National Stock Exchange of India Limited has been changed from SORILHOLD to IBULISL w.e.f. June 8, 2018, vide NSE's approval letter dated June 4, 2018.

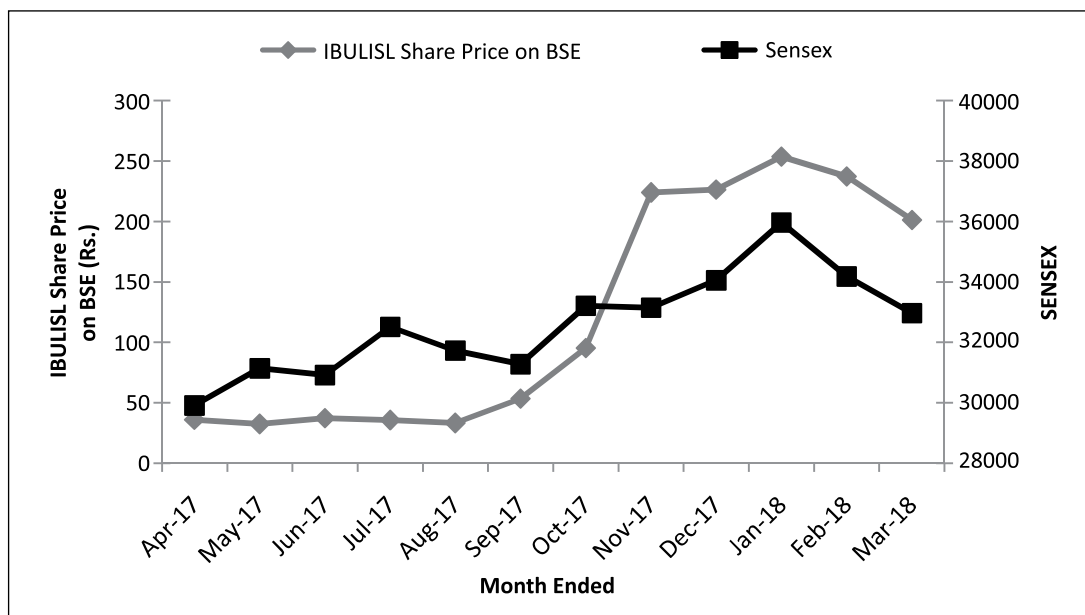
(H) Market Price Data

The monthly high and low market prices of shares at the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year ended March 31, 2018 are as under:

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2017	54.85	33.60	54.80	33.65
May 2017	39.90	29.75	39.75	29.80
June 2017	42.20	30.50	42.45	28.55
July 2017	40.80	35.00	40.55	35.10
August 2017	37.90	27.20	36.80	27.20
September 2017	66.00	31.55	66.00	31.95
October 2017	94.90	55.00	95.45	55.00
November 2017	235.00	99.60	234.70	100.20
December 2017	253.40	218.45	249.90	219.00
January 2018	259.70	186.80	261.40	185.40
February 2018	280.55	204.55	280.40	201.50
March 2018	243.00	195.10	241.75	196.00

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

Corporate Governance Report (contd.)



(J) Registrar and Transfer Agents

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

The contact details are as under:

M/s. Karvy Computershare Private Limited
(Unit: Indiabulls Integrated Services Limited)

Karvy Selenium, Tower B, Plot No. 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500 032

Contact Person: Ms. Shobha Anand, DGM, Corporate Registry

Phone: 040-6716 2222 Fax : 040-23001153

E-mail: einward.ris@karvy.com

(K) Share Transfer System

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

(L) i) Distribution of equity shareholding as on March 31, 2018

Sl. No.	Shareholding of nominal value (in ₹)		No. of holders	% to total no. of holders	Value in ₹	% to nominal value
	From	To				
1.	1	5000	51,907	97.92	80,25,368	7.32
2.	5001	10000	471	0.89	35,94,012	3.28
3.	10001	20000	249	0.47	37,40,166	3.41
4.	20001	30000	102	0.19	26,25,504	2.39
5.	30,001	30,000	57	0.11	20,92,754	1.91
6.	40,001	40,000	34	0.06	15,63,110	1.43
7.	50,001	50,000	90	0.17	62,90,898	5.74
8.	100,001	and above	102	0.19	8,17,05,174	74.52
	Total		53,012	100.00	10,96,36,986	100.00

ii) Equity Shareholding pattern as on March 31, 2018.

Sl. No.	Category	No. of Shares	% holding
1.	Promoters and Promoters Group	2,11,33,988	38.55
2.	Financial Institutions/ Banks	17,986	0.03
3.	Foreign Portfolio Investors	28,15,363	5.14
4.	NBFCs Registered with RBI	1,16,337	0.21
5.	Bodies Corporate	74,76,472	13.64
6.	Indian Public	2,25,78,650	41.19
7.	NRIs	5,87,251	1.07
8.	Foreign Nationals	15,000	0.03
9.	Clearing Members	77,446	0.14
	Total	5,48,18,493	100.00

(M) Dematerialization of shares and liquidity

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

As on March 31, 2018, 99.96% Equity shares of the Company representing 5,47,98,254 out of a total of 5,48,18,493 Equity shares were held in dematerialized form and the balance 20,239 shares were held in physical form.

Further, as on March 31, 2018, 25,17,700 Preference shares of face value ₹ 10/- each of the Company were held in physical mode. Same are presently not listed on any Stock Exchanges.

The Company obtains from a Company Secretary in practice, half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of SEBI (LODR) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.

In terms of SEBI circular no. LIST/COMP/15/2018-19 dated July 5, 2018, trading in shares of a listed Company shall be permitted only in dematerialized form w.e.f December 5, 2018.

(N) Outstanding Convertible Instruments

Out of an aggregate of 3,50,00,000 warrants issued and allotted on January 2, 2018, convertible into an equivalent number of equity shares of face value of ₹ 2 each of the Company, 3,09,00,000 warrants were outstanding for conversion as on March 31, 2018, out of which 1,34,00,000 warrants are outstanding as on date.

During the FY 2017-18, the Company had granted an aggregate of 45,66,600 stock options and subsequently in the current financial year, the Company had granted an aggregate of 10,00,000 stock options under the Company's Employee Stock Option Scheme(s) to its eligible employees. Till date, all stock options so granted are outstanding.

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

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

During the FY 2017-18, the Company had no foreign currency borrowings. However, company has a policy to manage import procurements by continuous monitoring of foreign exchange market and hedging through a

Corporate Governance Report (contd.)

combination of forward contracts, principal only swaps, interest rate swaps and / or cross currency swaps, if required.

(P) Plant Locations – Not applicable

(Q) Address for Correspondence

i) Registered Office:

M-62 & 63, First Floor, Connaught Place,
New Delhi – 110 001
Email: helpdesk@indiabulls.com,
Tel: 011-30252900, Fax: 011-30252901,
Website: www.indiabullsinTEGRATEDservices.com

ii) Corporate Offices:

(a) Indiabulls House,
448-451, Udyog Vihar,
Phase-V, Gurugram – 122016
Tel: 0124-6681199, Fax: 0124-6681111

(b) Indiabulls House,
Indiabulls Finance Center,
Senapati Bapat Marg,
Elphinstone Road, Mumbai – 400013
Tel: 022-61899700, Fax: 022-61891421

(R) Profiles of the directors seeking appointment have been captured in the Notice convening the Eleventh 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 (LODR) 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 unlisted subsidiary during the previous financial year. The Company has formulated a Policy for determining material subsidiaries, pursuant to the provisions of the SEBI (LODR) Regulations, 2015 which is available on the website of the Company, at web-link: <https://www.indiabullsinTEGRATEDservices.com/pdf/Policy%20for%20Determining%20material%20subsidiary.pdf>.

ii) Related Party Transactions

During the year, no materially significant related party transaction was entered by the Company with its Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large.

iii) Executive Director / CFO Certification

(a) The Executive Director 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 Executive Director and CFO have issued certificate pursuant to the provisions of Regulation 17(8) read with Part-B of Schedule-II of the SEBI (LODR) Regulations, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

iv) (a) Code of Conduct and Ethics

The Company has laid down a Code of Conduct and Ethics (the "Code") for the Board Members and Senior Management personnel of the Company. The Code is available on the website of the Company: www.indiabullsin Integrated services.com. All Board Members and Senior Management personnel have affirmed compliance with the Code. A declaration signed by the Executive Director to this effect is enclosed at the end of this Report.

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

(b) Code of Conduct for Prevention of Insider Trading

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

v) Whistle Blower Policy

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

vi) Strictures and penalties

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

vii) Details of compliance with mandatory requirements and adoption of the discretionary requirements of SEBI (LODR) Regulations, 2015.

The Company has complied with all the mandatory requirements of the 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 discretionary requirements is given later in this Report.

Corporate Governance Report (contd.)

9. DISCRETIONARY REQUIREMENTS

(A) Unmodified Opinion in Audit Report

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

(B) Shareholders Rights

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

(C) Reporting of Internal Auditor

The Internal Auditor of the Company reports to Audit Committee and the Board of Directors of the Company. Except as set out above, the Company has not adopted the discretionary requirements as to any of the other matters recommended under Part E of Schedule II of Regulation 27(1) of SEBI (LODR) Regulations, 2015.

10. UNCLAIMED SHARES LYING IN DEMAT SUSPENSE ACCOUNT

The Company was not required to transfer any shares in Demat Suspense Account. Accordingly, the disclosure required to be made in terms of Regulation 34(3) read with Schedule V of the SEBI (LODR) Regulations, 2015, in respect of shares in the demat suspense account or unclaimed suspense account, is not applicable to the company.

This Corporate Governance Report of the Company for the financial year ended 31st March, 2018 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) Regulations, 2015 to the extent applicable to the Company. There is no non-compliance of any requirement of Corporate Governance Report, as required under SEBI (LODR) Regulations, 2015.

ANNUAL DECLARATION BY THE EXECUTIVE DIRECTOR 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.

for **Indiabulls Integrated Services Limited**

Manvinder Singh Walia

Executive Director

DIN: 07988213

Date: August 20, 2018

Place: Gurugram

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members of
Indiabulls Integrated Services Limited

We have examined the compliance of conditions of Corporate Governance by Indiabulls Integrated Services Limited (formerly SORIL Holdings and Ventures Limited) ("the Company"), for the year ended March 31, 2018, 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) Regulations, 2015) for the year ended March 31, 2018.

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) Regulations, 2015.

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 **Neha S & Associates**
Company Secretaries

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

Place: New Delhi
Date: August 17, 2018

Independent Auditor's Report

To the Members of SORIL Holdings and Ventures Limited
(Formerly Known as Indiabulls Wholesale Services Limited)

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **SORIL Holdings and Ventures Limited** (Formerly Known as *Indiabulls Wholesale Services Limited*) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity the for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 requirement of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The Holding Company's Board of Directors and the respective Board of Directors/management of the subsidiaries included in the Group, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements 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 the 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 judgement, 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 based on reports of other auditors referred to in 'Other Matter' below, is sufficient and appropriate to provide a basis for our audit opinion on these 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 the report of the other auditors on separate financial statements and on the other financial information of the subsidiaries, 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 financial position of the Group as at March 31, 2018, and their consolidated financial performance including other comprehensive income, their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matter

We did not audit the financial statements and other financial information, in respect of a subsidiary whose financial statements include total assets of ₹ 11,206.35 lakhs as at March 31, 2018, total revenues of ₹ 234.47 lakhs and net cash inflows of ₹ 9.86 lakhs for the year ended on that date. These financial statements have been audited by other auditors,

whose financial statements, other financial information and auditor's report has 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 this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditors.

Our opinion above on the consolidated financial statements and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by other auditors and reports of the other auditors.

The Holding Company had prepared separate sets of consolidated financial statements for the year ended March 31, 2017, and March 31, 2016, in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued auditor's reports dated May 26, 2017, and May 06, 2016, respectively. These separate sets of consolidated financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary company covered under the Act, none of the directors of its subsidiary company covered under the Act, are disqualified as on March 31, 2018 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 Holding Company, its subsidiary companies covered under the Act and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note - 41 to the consolidated financial statements.
 - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by subsidiary companies.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number : 005975N

Vikas Aggarwal

Partner

Membership No.: 097848

Gurugram
02 May, 2018

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of SORIL Holdings and Ventures Limited (*Formerly Known as Indiabulls Wholesale Services Limited*) 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 **SORIL Holdings and Ventures Limited** (*Formerly Known as Indiabulls Wholesale Services Limited*) ('the Holding Company') and its subsidiary companies (the Holding Company and its subsidiaries together referred to as 'the Group'), as at March 31, 2018 in conjunction with our audit of the consolidated financial statements of the Company for the year ended and as at March 31, 2018.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, 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 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 the respective company's business including adherence to the respective company's policies, the safeguarding of the respective company's assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies as aforesaid, 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 the other auditors in terms of their reports referred to in the 'Other Matter' below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting of the Holding Company and its subsidiary companies.

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.

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 Holding Company, 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, 2018, based on the internal control over financial reporting criteria established by the respective 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.

Other Matter

We did not audit the financial statements and other financial information, in respect of a subsidiary whose financial statements include total assets of ₹ 11,206.35 lakhs as at March 31, 2018, total revenues of ₹ 234.47 lakhs and net cash inflows of ₹ 9.86 lakhs for the year ended on that date, has been considered in the consolidated financial statements. Our report on the adequacy and operating effectiveness of the internal financial controls over financial reporting for the Holding Company, its subsidiary companies, which are companies incorporated in India, under Section 143(3)(i) of the Act, in so far as it relates to the aforesaid subsidiary, which is a company incorporated in India, is solely based on the corresponding report of the auditors of such company. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number : 005975N

Gurugram
02 May, 2018**Vikas Aggarwal**

Partner

Membership No.: 097848

Consolidated Balance Sheet

as at March 31, 2018

(All Amounts in ₹ lakhs, unless otherwise stated)

	Note	31 March 2018	31 March 2017	01 April 2016
I ASSETS				
Non-current assets				
(a) Property, plant and equipment	6A	23,479.97	33,682.88	35,581.46
(b) Other intangible assets	6B	93.40	99.00	89.15
(c) Goodwill	6C	26,602.33	26,612.81	26,612.81
(d) Financial assets				
Loans	7A	213.61	188.52	204.75
Other financial assets	8A	0.75	1.01	1.09
(e) Deferred tax assets, net	9	620.48	594.60	581.37
(f) Non-current tax assets, net	10	3,307.10	3,682.63	3,374.65
(g) Other non current assets	11A	506.42	43.48	22.40
		54,824.06	64,904.93	66,467.68
Current assets				
(a) Inventories	12	1,784.97	1,644.74	2,031.77
(b) Financial assets				
Investments	13	22,220.12	-	-
Trade receivables	14	10,106.06	4,686.22	5,770.50
Cash and cash equivalents	15	2,518.56	2,342.35	1,056.41
Other bank balances	16	42.58	298.72	533.22
Loans	7B	87.55	9,569.84	66,916.53
Other financial assets	8B	0.83	27.51	14.94
(c) Other current assets	11B	30,985.60	32,043.01	31,863.31
		67,746.27	50,612.39	108,186.68
Total of Assets		122,570.33	115,517.32	174,654.36
II EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	17	1,096.37	1,014.37	1,014.37
(b) Other equity	18	47,186.70	31,006.86	33,121.12
Equity attributable to the owners of the Holding Company		48,283.07	32,021.23	34,135.49
(c) Non-controlling interest		7.74	(485.14)	(1,308.26)
Total Equity		48,290.81	31,536.09	32,827.23
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
Borrowings	19A	1,687.35	29,938.53	31,332.55
Other financial liabilities	20A	-	8,917.41	9,500.00
(b) Provisions	21A	331.32	243.76	198.10
(c) Other non-current liabilities	22A	148.08	144.54	-
		2,166.75	39,244.24	41,030.65
Current liabilities				
(a) Financial liabilities				
Borrowings	19B	39,680.71	37,173.09	35,177.00
Trade payables	23	1,944.00	2,804.32	4,722.67
Other financial liabilities	20B	27,712.09	3,685.92	57,291.88
(b) Other current liabilities	22B	2,534.11	1,051.67	3,566.43
(c) Provisions	21B	16.33	12.76	38.50
(d) Current tax liabilities, net	24	225.53	9.23	-
		72,112.77	44,736.99	100,796.48
Total of Equity and Liabilities		122,570.33	115,517.32	174,654.36
Summary of significant accounting policies	5			
The accompanying notes form an integral part of the consolidated financial statements				

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

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number: 005975N

Vikas Aggarwal

Partner

Place: Gurugram

Date: 02 May, 2018

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

Priya Jain

Company Secretary

Ajit Kumar Mittal

Director

[DIN: 02698115]

Saurabh Garg

Chief Financial Officer

Consolidated Statement of Profit and Loss

for the year ended March 31, 2018



(All Amounts in ₹ lakhs, unless otherwise stated)

	Note	Year ended March 31,			
		2018		2017	
Revenue					
Revenue from operations	25		23,274.43		22,344.46
Other income	26		3,237.53		1,968.41
Total of Revenue			26,511.96		24,312.87
Expenses					
Cost of revenue	27				
Cost of materials consumed			-	257.53	
Purchase of stock in trade		1,417.62		53.85	
Changes in inventories		30.98	1,448.60	415.41	726.79
Operating expenses	28		8,557.30		15,022.14
Employee benefits expense	29		4,178.80		2,424.03
Finance costs	30		4,271.83		3,556.68
Depreciation and amortisation expense	31		2,795.62		2,747.17
Other expenses	32		4,015.26		1,102.84
Total of Expenses			25,267.41		25,579.65
Profit/(loss) before tax			1,244.55		(1,266.78)
Tax expense	33				
Current tax (including earlier years)			483.79		24.09
Deferred tax charge/(credit)			(25.85)		(13.23)
Profit/(loss) after tax			786.61		(1,277.64)
Other comprehensive income					
(i) Items that will not be reclassified to profit or loss					
Re-measurement (loss)/gain on defined benefits plans			17.75		(17.13)
Total of other comprehensive income			17.75		(17.13)
Total Comprehensive Income for the year			804.36		(1,294.77)
Net profit/(loss) is attributable to					
Owners of the Holding Company			343.66		(2,105.91)
Non-controlling interest			442.95		828.27
			786.61		(1,277.64)
Other comprehensive income attributable to					
Owners of the Holding Company			17.85		(11.98)
Non-controlling interest			(0.10)		(5.15)
			17.75		(17.13)
Total comprehensive income is attributable to					
Owners of the Holding Company			361.51		(2,117.89)
Non-controlling interest			442.85		823.12
			804.36		(1,294.77)
Earnings per equity share	34				
Basic (₹)			0.68		(4.15)
Diluted (₹)			0.63		(4.15)
Summary of significant accounting policies	5				
The accompanying notes form an integral part of the consolidated financial statements					

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

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number: 005975N

Vikas Aggarwal

Partner

Place: Gurugram

Date: 02 May, 2018

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

Priya Jain

Company Secretary

Ajit Kumar Mittal

Director

[DIN: 02698115]

Saurabh Garg

Chief Financial Officer

Consolidated statement of cash flows

for the year ended March 31, 2018

(All Amounts in ₹ lakhs, unless otherwise stated)

		Year ended March 31	
		2018	2017
A.	Cash flow from operating activities:		
	Profit/(loss) before tax	1,244.55	(1,266.78)
	Adjustments to reconcile net profit/(loss) to net cash provided by operating activities:		
	Depreciation and amortization expense	2,795.62	2,747.17
	Interest expenses	3,264.96	2,621.86
	Interest income	(524.23)	(369.14)
	Dividend income	(4.95)	(18.27)
	Profit on redemption of mutual funds	(698.80)	(5.10)
	Profit on fair valuation of mutual funds	(210.12)	-
	Profit on sale of property, plant and equipment	(1,621.91)	(0.42)
	Loss on sale/written off of property, plant and equipment	0.32	3.94
	Provision for bad and doubtful debts	1,327.03	-
	Provision for employee benefits	128.83	61.17
	Balances written off	33.83	-
	Liabilities written back	(40.41)	(1,404.60)
	Unrealized foreign exchange loss/(gain), net	(0.85)	0.63
	Marked to market expense on forward contract	305.85	417.41
	Share based payment expense	346.81	-
	Operating profit/(loss) before working capital changes	6,346.53	2,787.87
	Changes in operating assets and liabilities		
	(Increase)/decrease in trade receivables	(6,746.87)	1,084.28
	(Increase)/decrease in loans and other financial assets	(16.13)	3.68
	Decrease/(increase) in other current and non-current assets	560.56	(200.78)
	(Increase)/decrease in inventories	(140.23)	387.03
	(Decrease)/increase in trade payables	(824.47)	(1,918.99)
	(Decrease)/increase in other financial liabilities	(8,396.75)	(53,694.45)
	Increase/(decrease) in other current liabilities	1,474.78	(991.28)
	Cash used in operating activities	(7,742.58)	(52,542.64)
	Income tax refund received/(paid), net	104.47	(322.83)
	Net cash (used in)/generated from operating activities	(7,638.11)	(52,865.47)
B.	Cash flow from investing activities:		
	Purchase of property, plant and equipment	(1,510.45)	(861.95)
	Sale of property, plant and equipment	10,618.91	-
	Maturity of fixed deposits	255.48	234.50
	Interest received on fixed deposits	32.17	369.22
	Investment in mutual funds, net	(22,010.00)	-
	Profit on redemption of mutual funds	698.80	5.10
	Inter-corporate loans received back	9,500.00	57,346.69
	Interest received on loans given	508.32	-
	Investment in equity shares	(5.00)	-
	Dividend income received	4.95	18.27
	Net cash (used in)/generated from investing activities	(1,906.82)	57,111.83

(All Amounts in ₹ lakhs, unless otherwise stated)

		Year ended March 31	
		2018	2017
C.	Cash flow from financing activities: (Refer Note-44)		
	Proceeds from issue of share warrants	11,550.00	-
	Proceeds from conversion of warrants into equity shares	4,059.00	-
	Proceeds from banks and financial institutions	2,085.03	-
	Repayment of borrowings to banks and financial institutions	(14,550.88)	(983.76)
	Proceeds from inter-corporate borrowings	12,420.00	1,500.00
	Interest paid on borrowings	(3,137.21)	(3,447.57)
	Repayment of inter-corporate borrowings	(2,700.00)	-
	Dividends paid on preference share capital, including tax	-	(29.09)
	Corporate dividend tax paid	(5.45)	-
	Net cash generated from/(used in) financing activities	9,720.49	(2,960.42)
D.	Cash and cash equivalents of subsidiary acquired	0.65	-
E.	Increase/(decrease) in cash and cash equivalents, net (A+B+C+D)	176.21	1,285.94
F.	Cash and cash equivalents at the beginning of the year	2,342.35	1,056.41
G.	Cash and cash equivalents at the end of the year (E+F)	2,518.56	2,342.35
H.	Reconciliation of cash and cash equivalents as per cash flow statement		
	Cash and cash equivalents includes		
	Cash on hand	23.59	5.06
	Foreign currency on hand	0.44	0.38
	Balances with banks		
	In current accounts	2,428.02	2,335.43
	In unclaimed dividend account (refer note (c) below)	1.48	1.48
	In fixed deposits account (with original maturity upto three months)	65.00	-
	Interest accrued on bank deposits	0.03	-
		2,518.56	2,342.35

- The accompanying notes form an integral part of the consolidated financial statements
- Ind AS-7 allows entities to report cash flow from operating activities using either the direct or indirect method, however listing regulations issued by SEBI (Securities Exchange Board of India) requires the listed companies to present cash flow only under indirect method. The Group has presented the above cash flow statement by using the indirect method.
- Unclaimed dividend account pertains to dividend not claimed by equity shareholders and the holding company does not have any right on the said money.

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

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number: 005975N

Vikas Aggarwal

Partner

Place: Gurugram

Date: 02 May, 2018

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

Priya Jain

Company Secretary

Ajit Kumar Mittal

Director

[DIN: 02698115]

Saurabh Garg

Chief Financial Officer

Consolidated Statement of Changes in Equity

as at March 31, 2018

(All Amounts in ₹ lakhs, unless otherwise stated)

(A) Equity share capital*

Particulars	Opening balance as at 01 April 2016	Issue of equity share capital during the year	Balance as at 31 March 2017	Issue of equity share capital during the year	Balance as at 31 March 2018
Equity share capital	1,014.37	-	1,014.37	82.00	1,096.37

(B) Other equity**

Particulars	Reserves and surplus					Other comprehensive income	Share warrant money	Total
	General reserve	Capital reserve	Deferred employee compensation reserve	Securities premium reserve	Retained earnings			
Opening balance as at 01 April 2016	50,149.72	942.49	-	29.37	(18,000.46)	-	-	33,121.12
Profit/(loss) for the year	-	-	-	-	(2,105.91)	-	-	(2,105.91)
Corporate dividend tax	-	-	-	-	3.63	-	-	3.63
Other comprehensive income	-	-	-	-	(11.98)	-	-	(11.98)
Balance as at 31 March 2017	50,149.72	942.49	-	29.37	(20,114.72)	-	-	31,006.86
Profit/(loss) for the year	-	-	-	-	343.66	-	-	343.66
Corporate dividend tax	-	-	-	-	(5.45)	-	-	(5.45)
Other comprehensive income	-	-	-	-	17.85	-	-	17.85
Share based payment expense	-	-	296.78	-	-	-	-	296.78
Receipts of share warrants money	-	-	-	-	-	-	11,550.00	11,550.00
Issue of equity shares (conversion of share warrants)	-	-	-	-	-	-	(82.00)	(82.00)
Securities premium on conversion of share warrants into equity shares	-	-	-	5,330.00	-	-	(1,271.00)	4,059.00
Balance as at 31 March 2018	50,149.72	942.49	296.78	5,359.37	(19,758.66)	-	10,197.00	47,186.70

* Refer note - 17

**Refer note - 18

The accompanying notes form an integral part of the consolidated financial statements

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

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number: 005975N

Vikas Aggarwal

Partner

Place: Gurugram

Date: 02 May, 2018

For and on behalf of the Board of Directors

Manvinder Singh Walia

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Director

[DIN: 02698115]

Saurabh Garg

Chief Financial Officer

(All Amounts in ₹ lakhs, unless otherwise stated)

1. NATURE OF PRINCIPAL ACTIVITIES

SORIL Holdings and Ventures Limited (formerly known as Indiabulls Wholesale Services Limited) “the Holding Company”, was incorporated on 24 July 2007. The Holding Company is domiciled in India and its registered office is situated at M-62 and 63, First Floor, Connaught Place, New Delhi – 110001.

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

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

The Holding company is engaged in the business of real estate development. The Group is also engaged in the business of rendering management and maintenance services, equipment renting services, maintenance of the farm house, aviation services and trade in all kinds of sculptures, painting and graphics. During the year, the group has applied for insurance license (Life insurance and general insurance)

2. GENERAL INFORMATION & STATEMENT OF COMPLIANCE WITH IND AS

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 (‘the Act’) (to the extent notified) and guidelines issued by Securities Exchange Board of India (SEBI), read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs (‘MCA’)) and relevant amendments rules issued thereafter. The Group has uniformly applied the accounting policies during the periods presented.

For all periods up to and including the year ended 31 March 2017, the Group has prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). These consolidated financial statements for the year ended 31 March 2018 are the first which the Group has prepared in accordance with Ind AS. For the purpose of comparatives, consolidated financial statements for the year ended 31 March 2017 and opening balance sheet as at 01 April 2016 are also prepared under Ind AS.

The consolidated financial statements for the year ended 31 March 2018 were authorized and approved for issue by the Board of Directors on 02 May 2018.

3. BASIS OF PREPARATION

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

4. RECENT ACCOUNTING PRONOUNCEMENT

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying amendments to Ind AS 12, ‘Income taxes’, Ind AS 21, ‘The effects of changes in foreign exchange rates’ and also introduced new revenue recognition standard Ind AS 115 ‘Revenue from contracts with customers’. These amendments rules are applicable to the Group from 1 April, 2018.

Ind AS 115 ‘Revenue from Contracts with Customers’ (Ind AS 115)

Ministry of Corporate Affairs (‘MCA’) has notified new standard for revenue recognition which overhauls the existing revenue recognition standards including Ind AS 18 – Revenue and Ind AS 11 – Construction contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

1. Identification of the contracts with the customer
2. Identification of the performance obligations in the contract
3. Determination of the transaction price
4. Allocation of transaction price to the performance obligations in the contract (as identified in step 2)
5. Recognition of revenue when performance obligation is satisfied.

Amendment to Ind AS 12

The amendment to Ind AS 12 requires the entities to consider restriction in tax laws in sources of taxable profit against which entity may make deductions on reversal of deductible temporary difference (may or may not have arisen from same source) and also consider probable future taxable profit. The Group is evaluating the requirements of the amendment and its impact on the financial statements.

Amendment to Ind AS 21

The amendment to Ind AS 21 requires the entities to consider exchange rate on the date of initial recognition of advance consideration (asset/liability), for recognizing related expense/income on the settlement of said asset/liability. The Group is evaluating the requirements of the amendment and its impact on the financial statements.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared using the significant accounting policies and measurement basis summarized below. These were used throughout all periods presented in the financial statements, except where the Group has applied certain accounting policies and exemptions upon transition to Ind AS.

a) Basis of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group has power over the investee and is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group has power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed off during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of 31 March 2018.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains/(losses) on transactions between group companies are eliminated. The accounting principles and policies have been consistently applied by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance (including each component of OCI) is attributed to the equity holders of the Holding Company and to the non-controlling interests basis the respective ownership interests and such balance is attributed even if this results in the non-controlling interests having a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

(All Amounts in ₹ lakhs, unless otherwise stated)

b) Business combination

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred by the former owners of the acquired entity. Acquisition costs are generally recognized in the statement of profit and loss as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values.

Goodwill is initially measured as excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred and where exists clear evidence of underlying reasons of classifying business combinations as bargain purchase, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities.

On transition to Ind AS

Ind AS 103 'Business Combinations' has not been applied to acquisitions of subsidiaries, or of interests in associates that occurred before the transition date. Previous GAAP carrying amount of goodwill/capital reserve has been carried under Ind AS.

c) Property, plant and equipment (PPE)

Recognition and initial measurement

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

Subsequent measurement (depreciation and useful lives)

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

Asset class	Useful life
Building – temporary structure	1-3 years
Plant and equipment	12 – 15 years
Office equipment	5 years
Computers	3 – 6 years
Furniture and fixtures	10 years
Aircraft	20 years
Vehicles	8 years

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

Capital work in progress

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

De-recognition

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

d) Intangible assets

Recognition and initial measurement

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

Subsequent measurement (amortization)

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

e) Inventories

Inventories are valued at cost or estimated net realizable value, whichever is lower. The cost of inventories is determined using the specific identification of their individual cost method and includes purchase price and all direct costs incurred in bringing the inventories to their present location and condition.

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

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

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

f) Revenue recognition

Revenue is recognized when it is probable that the economic benefits will flow to the Group and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebate and taxes. The Group applies the revenue recognition criteria to each nature of the revenue transaction as set out below.

Revenue from real estate projects

Revenue from real estate development projects is recognized on the percentage of completion method. Revenue is recognized in the financial year in which the agreement to sell or application forms (containing salient terms of agreement to sell) is executed, on the percentage of completion method which is applied on a cumulative basis in each accounting year to the current estimate of contract revenue and related project costs, once the conditions specified in 'Guidance Note on Accounting for Real Estate Transactions' are satisfied.

The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

Revenue from sale of land plots

Revenue from sale of developed land and plots is recognized in the year in which the underlying sale deed is executed and there exist no uncertainty in the collection of consideration from buyers. Where there is any remaining substantial obligations as per agreements, revenue is recognized on 'percentage of completion method' basis.

(All Amounts in ₹ lakhs, unless otherwise stated)

Revenue from air transport services

Revenue from air transportation services is recognised in the year in which the service has been rendered, and billed as per terms of contract/arrangements with customers, provided that collection is reasonably certain.

Revenue from equipment renting services

Revenue from equipment renting services (including relevant manpower and supervision) is recognized when services is performed usually on a time proportion basis as per the terms of the contract. The Group collects applicable taxes on behalf of Statutory Authorities and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.

Revenue from management and maintenance services

Revenue from management and maintenance services are recognized pro-rata over the period of contract as and when services are rendered. The Group collects applicable taxes on behalf of Statutory Authorities and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.

Interest income

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

Dividend income

Dividend income is recognized at the time when right to receive the payment is established, which is generally when the shareholders of the investee party approve the dividend.

Service revenue

Income from real estate projects advisory services is recognized on accrual basis. Marketing and lease management income are accounted for when the underline contracts are duly executed, on accrual basis when the services are completed, except in cases where ultimate collection is considered doubtful.

Revenue from sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods. The Group collects all relevant applicable taxes etc. on behalf of the Statutory Authorities and therefore, these are not economic benefits flowing to the Group. Hence they are excluded from revenue.

Revenue from construction and advisory services

Revenue from construction, advisory and other related services is recognized on an accrual basis.

Income from sale of investment

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

g) Operating leases

Group is lessee

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straight line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

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

i) Impairment of non-financial assets

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

j) Foreign currency

Functional and presentation currency

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

Transactions and balances

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

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

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

k) Financial instruments

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. Equity instruments - All equity investments in scope of 'Ind AS 109 Financial Instruments' ('Ind AS 109') are measured at fair value. Equity instruments which are held for trading are generally classified as at fair

(All Amounts in ₹ lakhs, unless otherwise stated)

value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).

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

De-recognition of financial assets

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

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

Subsequent measurement – Amortized cost

Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

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

I) Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. When estimating the cash flows, the Group is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

The Group applies approach permitted by Ind AS 109, which requires lifetime expected credit losses to be recognized for trade receivables.

Other financial assets

For recognition of impairment loss on other financial assets, the Group determines whether there has been

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

m) Income taxes

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

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum alternative tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

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

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

n) Cash and cash equivalents

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

o) Employee benefits

Defined contribution plan

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

Defined benefit plan

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

Other long term employee benefits

The Group also provides benefit of compensated absences to its employees which are in the nature of long-term

(All Amounts in ₹ lakhs, unless otherwise stated)

employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

Short-term employee benefits

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

p) Share based payments

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

Transition to Ind AS

On transition to Ind AS, the Group has elected to not consider the charge related to employee stock options for which the vesting period is already over.

q) Provisions, contingent liabilities and contingent assets

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

Contingent liability is disclosed for:

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

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

r) Earnings per equity share

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

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

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

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

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

Significant management's judgments

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

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

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

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

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

Significant estimates

Revenue and inventories – The Group recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which further require assessments and judgments to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Group used the available contractual and historical information.

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

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 6A

PROPERTY, PLANT AND EQUIPMENT

	Building	Plant & machinery	Office equipment	Computers	Furniture and fixtures	Vehicles	Aircrafts* (refer note-19)	Total
Gross carrying amount (Refer (ii) below)								
Balance as at 01 April 2016	4.64	17,676.98	75.92	802.43	2,058.97	647.03	20,150.00	41,415.97
Additions	-	377.99	5.98	22.58	1.37	28.64	406.96	843.52
Disposals/assets written off	-	-	-	0.02	0.85	15.79	-	16.66
Balance as at 31 March 2017	4.64	18,054.97	81.90	824.99	2,059.49	659.88	20,556.96	42,242.83
Additions	-	1,205.78	10.38	57.23	48.20	181.45	73.98	1,577.02
Disposals/assets written off	2.13	130.99	27.23	642.48	9.06	0.05	9,950.00	10,761.94
Balance as at 31 March 2018	2.51	19,129.76	65.05	239.74	2,098.63	841.28	10,680.94	33,057.91
Accumulated depreciation								
Balance as at 01 April 2016	4.64	3,334.58	49.50	784.18	1,320.83	340.78	-	5,834.51
Charge for the year	-	1,159.70	9.10	9.26	202.92	66.67	1,288.25	2,735.90
Adjustments for disposals	-	-	-	0.02	0.85	9.59	-	10.46
Balance as at 31 March 2017	4.64	4,494.28	58.60	793.42	1,522.90	397.86	1,288.25	8,559.95
Charge for the year	-	1,174.08	8.95	24.43	205.37	81.23	1,288.55	2,782.61
Adjustments for disposals	2.13	12.03	27.23	642.48	8.79	0.05	1,071.91	1,764.62
Balance as at 31 March 2018	2.51	5,656.33	40.32	175.37	1,719.48	479.04	1,504.89	9,577.94
Net carrying value as at 01 April 2016	-	14,342.40	26.42	18.25	738.14	306.25	20,150.00	35,581.46
Net carrying value as at 31 March 2017	-	13,560.69	23.30	31.57	536.59	262.02	19,268.71	33,682.88
Net carrying value as at 31 March 2018	-	13,473.43	24.73	64.37	379.15	362.24	9,176.05	23,479.97

(i) Contractual obligations

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

- (ii)** The Gross block of all the class of assets is measured at cost, except for aircrafts, for which the gross block is recorded at fair value as on 01 April 2016.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

* Details of foreign exchange loss/(gain) on translation of long-term foreign currency borrowing capitalized and amortized during the year:

Particulars	Amount
Exchange loss/(gain) capitalized	
As at 01 April 2016	3,475.95
Recognition/(reversal) during the year	(66.23)
As at 31 March 2017	3,409.72
Recognition/(reversal) during the year	(73.98)
As at 31 March 2018	3,335.74
Exchange loss/(gain) amortized	
As at 01 April 2016	543.58
Amortized during the year	-
As at 31 March 2017	543.58
Amortized during the year	-
As at 31 March 2018	543.58
Net block of exchange loss/(gain)	
As at 31 March 2018	2,792.15
As at 31 March 2017	2,866.13
As at 01 April 2016	2,932.36

Revaluation of property, plant and equipment

The revalued property, plant and equipment consists of Aircrafts used in the business. The management determined that these constitute one class of asset under Ind AS 113, based on the nature, characteristics and risks of the property.

Fair value of the aircrafts was determined by using the market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for difference in the nature, location or condition of the specific property. As at the date of revaluation 01 April 2016, the aircrafts' fair values are based on valuations performed by independent valuers who has relevant valuation experience for similar assets valuation.

Information of revaluation model on aircrafts:

Particulars	Amount
Opening balance as at 01 April 2016	53,717.27
Re-measurement recognised in reserves	(23,328.05)
Accumulated depreciation	(11,527.47)
Adjustments for disposals	-
Purchases	406.96
Balance as at 31 March 2017	19,268.71
Adjustments for disposals	(8,878.09)
Purchases	73.98
Depreciation	(1,288.55)
Closing balance as at 31 March 2018	9,176.05

Under the previous GAAP, aircrafts were carried in the balance sheet on the basis of historical cost model. Had the same value of aircrafts being considered under Ind AS, the following would have been the respective carrying value of the aircrafts:

Particulars	31 March 2018	31 March 2017	01 April 2016
Cost	53,717.27	53,717.27	53,717.27
Purchases	73.98	878.68	-
Accumulated Depreciation	15,572.75	12,906.79	10,239.22
Net carrying Amount	38,218.50	41,689.16	43,478.05

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 6B

OTHER INTANGIBLE ASSETS

	Software	Land - Leasehold	Total
Gross carrying amount			
Balance as at 01 April 2016	1,404.55	95.78	1,500.33
Additions	0.17	20.95	21.12
Balance as at 31 March 2017	1,404.72	116.73	1,521.45
Additions	7.41	-	7.41
Disposals/assets written off	961.13	-	961.13
Balance as at 31 March 2018	451.00	116.73	567.73
Accumulated amortization			
Balance as at 01 April 2016	1,401.90	9.28	1,411.18
Charge for the year	0.95	10.32	11.27
Adjustment for disposals	-	-	-
Balance as at 31 March 2017	1,402.85	19.60	1,422.45
Charge for the year	2.08	10.93	13.01
Adjustment for disposals	961.13	-	961.13
Balance as at 31 March 2018	443.80	30.53	474.33
Net carrying value as at 01 April 2016	2.65	86.50	89.15
Net carrying value as at 31 March 2017	1.87	97.13	99.00
Net carrying value as at 31 March 2018	7.20	86.20	93.40

NOTE – 6C

STATEMENT SHOWING RECONCILIATION OF GOODWILL ARISING ON CONSOLIDATION OF FINANCIAL STATEMENTS

Particulars	Amount
Opening balance as on 01 April 2016	26,612.81
Additions/(Reversals) during the year	-
Balance as on 31 March 2017	26,612.81
Additions/(Reversals) during the year *	(10.48)
Balance as on 31 March 2018	26,602.33

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

The Group tests goodwill annually for impairment.

Goodwill of ₹26,602.33 lakhs (31 March 2017: ₹ 26,612.81 lakhs; 01 April 2016: ₹ 26,612.81 lakhs) has been allocated to the group's business in India. The estimated value in use of this CGU is based on the future cash flows using a 8-10% annual growth rate for periods subsequent to the forecast period of five years and discount rate of 8%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonably probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 7

		As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
A	Loans - Non-Current (Unsecured, considered good)			
	Security deposits	213.61	188.52	204.75
		213.61	188.52	204.75
B	Loans - Current (Unsecured, considered good)			
	Security deposits	29.02	11.31	66,858.00
	Inter-corporate loans to other	58.53	9,558.53	58.53
		87.55	9,569.84	66,916.53

NOTE – 8

		As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
A	Other financial assets - Non-current			
	Bank deposits with more than 12 month maturity	0.75	1.01	1.09
		0.75	1.01	1.09
B	Other financial assets - current (Unsecured, considered good)			
	Loan to employees	0.83	7.14	13.70
	Other advances	-	20.37	1.24
		0.83	27.51	14.94

NOTE – 9

DEFERRED TAX ASSETS, NET

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Deferred tax asset arising on account of:			
Property, plant and equipment, investment property and intangible assets - depreciation and amortisation	0.08	6.85	0.88
Preliminary expenses	0.62	0.01	0.02
Employee benefits - gratuity and compensated absences	-	3.04	2.25
Unabsorbed business losses and unabsorbed depreciation	478.33	529.97	548.10
Minimum alternative tax credit entitlement	190.54	54.73	30.12
Deferred tax liabilities arising on account of:			
Financial instruments - fair value	(49.09)	-	-
	620.48	594.60	581.37

(All Amounts in ₹ lakhs, unless otherwise stated)

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

Particulars	01 April 2016	Recognised/ (Utilised) in Other Comprehensive Income	Recognised/ (Utilised) in profit and loss	31 March 2017
Assets				
Property, plant and equipment, investment property and intangible assets - depreciation and amortisation	0.88	-	5.97	6.85
Preliminary expenses	0.02	-	(0.01)	0.01
Employee benefits - gratuity and compensated absences	2.25	-	0.79	3.04
Unabsorbed business losses and unabsorbed depreciation	548.10	-	(18.13)	529.97
Sub-Total	551.25	-	(11.38)	539.87
Minimum alternative tax credit entitlement	30.12	-	24.61	54.73
Total	581.37	-	13.23	594.60

Particulars	31 March 2017	Recognised/ (Utilised) in Other Comprehensive Income	Recognised/ (Utilised) in profit and loss	31 March 2018
Assets				
Property, plant and equipment, investment property and intangible assets - depreciation and amortisation	6.85	-	(6.77)	0.08
Preliminary expenses	0.01	-	0.61	0.62
Employee benefits - gratuity and compensated absences	3.04	-	(3.04)	-
Unabsorbed business losses and unabsorbed depreciation	529.97	-	(51.65)	478.33
Liabilities				
Financial instruments - fair value	-	-	(49.09)	(49.09)
Sub-Total	539.87	-	(109.94)	429.94
Minimum alternative tax credit entitlement	54.73	-	135.79	190.54
Total	594.60	-	25.85	620.48

The Group has restricted the creation of deferred tax asset on unabsorbed business losses to the extent of ₹27,098.11 lakhs (31 March 2017: ₹28,654.64 lakhs; 01 April 2016: ₹17,217.84 lakhs) as there is no convincing evidence which demonstrate probability of realisation of deferred tax asset in the near future.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 10

NON-CURRENT TAX ASSETS, NET

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Advance income tax, including tax deducted at source (net of provisions)	3,307.10	3,682.63	3,374.65
	3,307.10	3,682.63	3,374.65

The income tax department, during the year ended 31 March 2017, searched some of the premises of the Group in pursuance to the action against other persons. In the process, it seized duly accounted cash-in-hand of the company as well. The Group is taking all reasonable steps to recoup the cash so seized and has disclosed the same under Non-current tax assets.

NOTE – 11

		As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
A	Other non-current assets (Unsecured, considered good)			
	Capital advance	94.45	11.97	8.87
	Prepaid expenses	411.97	31.51	13.53
		506.42	43.48	22.40
B	Other current assets (Unsecured, considered good)			
	Advance to staff	8.84	42.35	51.98
	Advance to suppliers/service providers	302.29	290.77	442.80
	Prepaid expenses	179.96	266.27	94.79
	Balances with statutory and government authorities	479.98	238.67	54.40
	Advance for land (expected to get land)	30,000.00	31,200.00	31,200.00
	Others	14.53	4.95	19.34
		30,985.60	32,043.01	31,863.31

NOTE – 12

INVENTORIES

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Real estate project under development (at cost)			
Land	5,851.81	5,851.81	5,851.81
License and other regulatory fees	251.13	251.13	250.99
Cost of materials, construction cost and other overheads	11,482.89	11,482.89	11,225.50
	17,585.83	17,585.83	17,328.30
Less: cost of revenue recognized till date	(17,554.30)	(17,523.31)	(16,850.38)
	31.53	62.52	477.92
Stores and spares	181.37	82.47	54.10
Stock of LED Lighting	72.32	-	-
Stock-in-trade (goods acquired for trading)	1,499.75	1,499.75	1,499.75
	1,784.97	1,644.74	2,031.77

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 13

INVESTMENTS - CURRENT

Investment in mutual funds (quoted)

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Indiabulls Liquid Fund - Direct Plan - Growth [13,08,414.149 (31 March 2017: nil; 01 April 2016: nil) units, NAV: ₹ 1,698.2479 (31 March 2017: nil; 01 April 2016: nil) per unit]	22,220.12	-	-
	22,220.12	-	-
Aggregate book value and market value of quoted investments	22,220.12	-	-

NOTE - 14

TRADE RECEIVABLES

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Considered good	10,105.25	4,685.41	5,769.68
Considered doubtful	1,327.03	-	-
	11,432.28	4,685.41	5,769.68
Less: Provision for doubtful debts	(1,327.03)	-	-
	10,105.25	4,685.41	5,769.68
Unbilled receivables	0.81	0.81	0.82
	10,106.06	4,686.22	5,770.50

NOTE – 15

CASH AND CASH EQUIVALENTS

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Cash on hand	23.59	5.06	17.83
Foreign currency on hand	0.44	0.38	-
Balances with banks			
In current accounts	2,428.02	2,335.43	993.48
In unclaimed dividend account*	1.48	1.48	1.48
Bank deposits with original maturity upto three months	65.03	-	43.62
	2,518.56	2,342.35	1,056.41

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

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 16

OTHER BANK BALANCES

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Bank deposits*			
With maturity of more than three months and upto twelve months	42.58	298.72	533.22
	42.58	298.72	533.22

* Bank deposits of ₹ 2.00 lakhs (31 March 2017: ₹ 2.00 lakhs, 01 April 2016: ₹ 2.00 lakhs) have been lien marked as a security for valued added tax registration with various states.

* Bank deposits of ₹ 25.39 lakhs (31 March 2017: ₹ 1.00 lakhs, 01 April 2016: ₹ 47.37 lakhs) have been pledged against bank guarantees, letter of credit.

* Bank deposits of ₹ Nil (31 March 2017: ₹ 279.87 lakhs; 01 April 2016: ₹ 506.00 lakhs) are under lien with bank against term loan taken from bank.

NOTE – 17

A	Equity share capital						
i	Authorised	Number	Amount	Number	Amount	Number	Amount
	Equity shares of face value of ₹ 2 each	400,000,000	8,000.00	400,000,000	8,000.00	400,000,000	8,000.00
		400,000,000	8,000.00	400,000,000	8,000.00	400,000,000	8,000.00
ii	Issued, subscribed and fully paid up						
	Equity share capital of face value of ₹ 2 each fully paid up	54,818,493	1,096.37	50,718,493	1,014.37	50,718,493	1,014.37
		54,818,493	1,096.37	50,718,493	1,014.37	50,718,493	1,014.37
iii	Reconciliation of number and amount of equity shares outstanding at the beginning and at the end of the year						
	Equity shares						
	Balance at the beginning of the year	50,718,493	1,014.37	50,718,493	1,014.37	50,718,493	1,014.37
	Add: Issued during the year	4,100,000	82.00	-	-	-	-
	Balance at the end of the year	54,818,493	1,096.37	50,718,493	1,014.37	50,718,493	1,014.37

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

v Rights, preferences and restrictions attached to equity shares

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Holding Company. In the event of liquidation of the Holding Company, all preferential

(All Amounts in ₹ lakhs, unless otherwise stated)

amounts, if any, shall be discharged by the Holding Company, the remaining assets of the Holding Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Holding Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

vi Details of shareholder holding more than 5% share capital

	March 31, 2018	March 31, 2017	April 01, 2016
Name of the equity shareholder	Number of shares	Number of shares	Number of shares
Jyeshta Infrastructure Private Limited	8,330,412	8,330,412	8,330,412
Kritikka Infrastructure Private Limited	8,553,576	6,965,763	6,965,763

- vii. The Group does not have any shares issued for consideration other than cash during the immediately preceding five years. Company did not buy back any shares during immediately preceding five years. Company does not have any shares reserved for issue under options.

B. Preference share capital

		March 31, 2018		March 31, 2017		April 01, 2016	
i	Authorised	Number	Amount	Number	Amount	Number	Amount
	Preference shares of face value of ₹ 10 each	30,000,000	3,000.00	30,000,000	3,000.00	30,000,000	3,000.00
		30,000,000	3,000.00	30,000,000	3,000.00	30,000,000	3,000.00

		March 31, 2018		March 31, 2017		April 01, 2016	
ii	Name of the preference shareholder	Number of shares	Number of shares	Number of shares	Number of shares	Number of shares	Number of shares
	Indiabulls Real Estate Limited	2,517,700	2,517,700	2,517,700	2,517,700	2,517,700	2,517,700

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

NOTE – 18

(i) Nature and purpose of other reserves

Securities premium reserve

Security premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013

Deferred employee compensation reserve

The reserve is used to recognized the expenses related to stock option issued to employees under Group's employee stock option plans.

Capital reserve

The Group has issued share warrants in the earlier years. This reserve is created on account of forfeiture of share application money received on account of issuance of share warrants as share warrants holders did not exercise their rights.

General reserve

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

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 19

		March 31, 2018	March 31, 2017	April 01, 2016
A	Borrowings - Non-current			
	Secured borrowings:			
	Term loans			
	From banks	27,389.97	29,783.94	32,763.77
	Less: current maturities of long-term borrowings	(25,702.62)	(2,545.41)	(2,631.22)
	Unsecured borrowings:			
	Other Loans	-	2,700.00	1,200.00
		1,687.35	29,938.53	31,332.55

Repayment terms (including current maturities) and security details

Name of the bank	As at	Loan outstanding	Repayment terms	Nature of Security
Kotak Mahindra Bank Limited	31 March 2018	278.33	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2017	515.21		
	01 April 2016	291.03		
ICICI Bank Limited	31 March 2018	22.23	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2017	61.33		
	01 April 2016	99.57		
	31 March 2018	-	23 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2017	185.66		
	01 April 2016	388.56		
	31 March 2018	65.20	35 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2017	115.70		
	01 April 2016	-		
	31 March 2018	-	47 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2017	121.78		
	01 April 2016	436.51		
HDFC Bank Limited	31 March 2018	-	35 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2017	255.44		
	01 April 2016	940.79		
	31 March 2018	1,500.00	Repayable within 4 months.	Secured by Hypothecation of Assets being financed.
	31 March 2017	-		
	01 April 2016	-		
	31 March 2018	785.18	23 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2017	1,126.84		
	01 April 2016	1,016.37		
Axis Bank Limited	31 March 2018	374.11	35 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	31 March 2017	459.02		
	01 April 2016	705.08		
*Indusind Bank Limited	31 March 2018	1,223.39	108 equated monthly instalment from date of disbursal.	Secured by Hypothecation of Assets being financed
	31 March 2017	3,960.94		
	01 April 2016	5,463.38		

(All Amounts in ₹ lakhs, unless otherwise stated)

Name of the bank	As at	Loan outstanding	Repayment terms	Nature of Security
**Punjab National Bank	31 March 2018	23,415.88	Payable at the end of 3 years	Secured by Hypothecation of Assets being financed.
	31 March 2017	23,341.90		
	01 April 2016	23,879.84		
IVL Finance Limited (Formerly known as Shivshakti Financial Services Limited)	31 March 2018	-	2 years from the date of first disbursement	Unsecured
	31 March 2017	2,700.00		
	01 April 2016	-		
Indiabulls Distribution Services Limited	31 March 2018	-	2 years from the date of first disbursement	Unsecured
	31 March 2017	-		
	01 April 2016	1,200.00		

- * In year ended 31 March 2016, the Group has availed term loan of ₹ 13,500.00 lakhs from Indusind Bank Limited, secured by exclusive charge on three aircrafts (Bombardier Challenger CL 604-2B16 (CL-604), Airbus EC-135 P2+ and Cessana Citation Bravo 550), exclusive charge on all current assets (present and future) with respect to the aforesaid three aircrafts, receivable from assignment/hypothecation of lease agreements/take or pay charter agreements in favor of the lender with respect to the aforesaid three aircrafts, escrow of receivable from the lease agreements/take or pay charter agreements for the aforesaid three aircrafts of the Group. In previous year ended 31 March 2017, the Group has repaid additional loan of ₹ 1,136.30 lakhs to Indusind Bank Limited for release Aircraft Cessana Citation Bravo 550. During the year ended 31 March 2018, the Group has repaid additional loan of ₹ 2,416.00 lakhs to Indusind Bank Limited for release Aircraft Bombardier Challenger CL 604-2B16 (CL-604). The outstanding loan is repayable in 73 monthly remaining instalments. The outstanding balance as at 31 March 2018 is ₹ 1,223.39 lakhs, 31 March 2017 was ₹ 3,960.94 lakhs & in 01 April 2016 was ₹ 5,463.38 lakhs).
- ** During the year ended 31 March, 2016, the Group has availed buyer's credit to acquire an aircraft (Bombardier Global 5000) of USD 36,000,000 which is sanction by Yes Bank Limited and disbursed by Punjab National Bank, Dubai, secured by exclusive charge by way of hypothecation on the aircraft being financed, assignment of insurance policy, exclusive charge over receivables arising from the Bombardier Global 5000, under escrow mechanism, exclusive charge by way of assignment over rights, titles, interest etc. and letter of comfort by Indiabulls Real Estate Limited. The buyer's credit is repayable after three years from the end of 3 years from the date of first availment. The outstanding balance as at 31 March, 2018 is USD 36,000,000 ₹ 23,415.88 lakhs (31 March 2017 ₹ 23,341.90 lakhs; 01 April 2016 ₹ 23,879.84 lakhs).

		March 31, 2018	March 31, 2017	April 01, 2016
B	Borrowings-current			
	Secured borrowings:			
	Working capital loan from bank	2,083.71	1,996.09	-
	Unsecured borrowings:			
	9% Redeemable non -cumulative, non-convertible preference share of face value of ₹ 10 each	25,177.00	25,177.00	25,177.00
	Loans and advances from others	12,420.00	10,000.00	10,000.00
		39,680.71	37,173.09	35,177.00

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

Repayment terms (including current maturities) and security details

Name of Party	As at	Loan outstanding	Repayment terms	Nature of Security
Reliance Capital Limited	31 March 2018	-	1 year from the date of first disbursement	Unsecured
	31 March 2017	10,000.00		
	01 April 2016	10,000.00		
RBL Bank Limited (working capital facility)	31 March 2018	1,083.71	Repayable within 6 months from the date of disbursal	Charge on all current assets includes book debts, inventory and others assets (both present and future) of the respective borrower Company and its subsidiary other than those assets exclusively charged to other lenders
	31 March 2017	1,996.09		
	01 April 2016	-		
RBL Bank Limited (foreign currency term loan)	31 March 2018	1,000.00	Bullet payment after 3 months from the date of disbursal	Charge on all current assets includes book debts, inventory and others assets (both present and future) of the respective borrower Company and its subsidiary other than those assets exclusively charged to other lenders
	31 March 2017	-		
	01 April 2016	-		
Lucina Land Development Limited	31 March 2018	12,420.00	2 years from the date of first disbursement	Unsecured
	31 March 2017	-		
	01 April 2016	-		

NOTE – 20

		March 31, 2018	March 31, 2017	April 01, 2016
A	Other financial liabilities - Non-current			
	Security deposits from customers	-	8,500.00	9,500.00
	Marked to market loss on forward contract	-	417.41	-
		-	8,917.41	9,500.00
B	Other financial liabilities - current			
	Current maturities of non-current secured borrowings from banks and financial institutions	25,702.62	2,545.41	2,631.22
	Interest accrued but not due on borrowings:			
	On term loan from banks	413.58	332.52	255.75
	On loan from others	-	38.84	941.31
	Unpaid dividend on equity shares*	1.48	1.48	1.48
	Security deposits	141.54	144.64	52,812.51
	Marked to market loss on forward contract	723.26	-	-
	Expenses payable to others	729.61	623.03	649.61
		27,712.09	3,685.92	57,291.88

* In respect of amount as mentioned under section 125 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2018.

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 21

		March 31, 2018	March 31, 2017	April 01, 2016
A	Provisions			
	Non-current			
	Provision for employee benefits:			
	Gratuity	230.91	168.34	132.26
	Compensated absences	100.41	75.42	65.84
		331.32	243.76	198.10
B	Provisions - current			
	Provision for employee benefits:			
	Gratuity	7.93	5.86	3.18
	Compensated absences	8.40	6.90	2.59
	Corporate dividend tax on dividend on equity shares	-	-	4.61
	Corporate dividend tax on dividend on preference shares	-	-	5.45
	Dividend on preference shares	-	-	22.67
		16.33	12.76	38.50

NOTE – 22

		March 31, 2018	March 31, 2017	April 01, 2016
A	Other liabilities - Non-current			
	Obligation under operating lease	148.08	144.54	-
		148.08	144.54	-
B	Other liabilities - current			
	Payable to statutory authorities	2,015.90	196.90	812.14
	Advance from customers	518.21	719.02	2,612.58
	Other liabilities	-	135.75	141.71
		2,534.11	1,051.67	3,566.43

NOTE – 23

TRADE PAYABLES - CURRENT

	March 31, 2018	March 31, 2017	April 01, 2016
Due to micro and small enterprises*	253.73	-	-
Due to others	1,680.66	2,795.42	4,714.75
Retention Money	9.61	8.90	7.92
	1,944.00	2,804.32	4,722.67

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

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

	Particulars	31 March 2018	31 March 2017	01 April 2016
i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	253.73	Nil	Nil
ii)	the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil	Nil
iii)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil	Nil
iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil	Nil
v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

NOTE – 24

CURRENT TAX LIABILITIES, NET

	March 31, 2018	March 31, 2017	April 01, 2016
Provision for income tax	225.53	9.23	-
	225.53	9.23	-

NOTE – 25

REVENUE FROM OPERATIONS

	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue from real estate project under development	36.20	554.10
Revenue from construction and advisory services	5,000.00	4,247.00
Revenue from management and maintenance services	8,524.27	8,037.10
Revenue from equipment renting services	5,242.68	6,727.73
Revenue from trading goods	-	-
LED	2,192.04	-
Scrap	91.33	242.42
Others	432.40	467.90
Revenue from air transportation services	1,656.41	1,909.05
Revenue from art gallery	-	11.61
Pilot hiring income	8.38	5.25
Other operating income	-	-
Interest income	17.79	132.30
Service receipts	-	10.00
Others income	72.93	-
	23,274.43	22,344.46

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 26
OTHER INCOME

	For the year ended 31 March 2018	For the year ended 31 March 2017
Dividend Income	4.95	18.27
Interest income	524.23	369.14
Interest income on income tax refund	125.72	107.23
Profit on redemption of mutual funds	698.80	5.10
Profit on fair valuation of mutual funds	210.12	-
Profit on sale of property, plant and equipment	1,621.91	0.42
Foreign exchange gain, net	10.17	0.85
Miscellaneous income	1.22	62.80
Liabilities written back	40.41	1,404.60
	3,237.53	1,968.41

NOTE – 27
COST OF REVENUE

	For the year ended 31 March 2018	For the year ended 31 March 2017
For trading goods and products		
Purchase of stock in trade	1,417.62	53.85
(Increase)/decrease in inventory of finished goods		
Opening stock	1,499.75	1,499.75
Closing stock	(1,499.75)	(1,499.75)
For real estate projects under development and construction		
Cost of materials consumed	-	257.53
(Increase)/decrease in real estate project		
Opening stock	62.51	477.92
Closing stock	(31.53)	(62.51)
	1,448.60	726.79

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 28
OPERATING EXPENSES

	For the year ended 31 March 2018	For the year ended 31 March 2017
Professional charges	168.63	151.12
Travelling and conveyance expenses	68.13	389.51
Power and fuel expenses	307.02	375.69
Aircraft maintenance charges	923.71	1,096.83
Crew accommodation charges	70.79	66.96
Landing and handling charges	258.94	355.39
Navigation and flight planning charges	66.41	99.03
Subscription charges	81.39	111.21
Catering expenses	30.98	44.99
Hire charges	23.27	39.97
Training expenses	80.83	78.79
Labour charges	2,011.05	1,809.84
Lift operating and maintenance charges	679.35	589.12
Gardening and maintenance	53.83	42.88
Common area electricity and water charges	426.64	495.43
Consumables expenses	220.80	586.53
Security Expenses	853.46	966.01
Rent Expenses	497.17	444.82
Repairs and maintenance		
Others for buildings under maintenance	224.14	187.64
Plant and machinery	391.66	230.87
Transportation Charges	249.85	178.90
Property management and assets maintenance services	869.25	2,861.61
Management and construction advisory services	-	3,819.00
	8,557.30	15,022.14

NOTE – 29
EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries and wages	3,593.05	2,238.50
Bonus and ex-gratia	0.30	-
Gratuity and compensated absences	128.83	61.17
Contribution to provident fund	20.53	5.85
Staff welfare expenses	89.28	118.51
Share based payment expense (refer note 43)	346.81	-
	4,178.80	2,424.03

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 30

FINANCE COSTS

	For the year ended 31 March 2018	For the year ended 31 March 2017
Bank guarantee charges and commission	549.36	513.41
Marked to market loss on forward contract	305.85	417.41
Interest expense	3,264.96	2,621.86
Interest expense on taxation	151.66	4.00
	4,271.83	3,556.68

NOTE – 31

DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended 31 March 2018	For the year ended 31 March 2017
Property, plant and equipment	2,782.61	2,735.90
Other intangible assets	13.01	11.27
	2,795.62	2,747.17

NOTE – 32

OTHER EXPENSES

	For the year ended 31 March 2018	For the year ended 31 March 2017
Advertisement and sales promotion expenses	207.90	10.65
Auditor's remuneration - as auditor	44.08	44.21*
Books and periodicals	-	0.99
Office expenses	35.83	24.33
Provision for bad and doubtful debts	1,327.03	-
Director sitting fees	1.50	-
Bank charges	4.42	2.53
Communication expenses	37.08	50.11
Power and fuel expenses	0.34	1.08
Legal and professional charges	234.15	149.33
Preliminary expenses	2.22	-
Printing and stationery	24.41	31.99
Rates and taxes	49.33	50.82
Rent expenses	1,560.50	126.05
Loss on sale/written off of property plant and equipment	0.32	3.94
Repairs and maintenance		
Aircrafts and vessels	-	0.62
Vehicles	5.04	4.38
Others	8.60	8.26

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Brokerage and marketing expenses	9.23	50.25
Security Expenses	1.65	4.76
Software expenses	2.16	-
Subscription fee	0.50	-
Traveling and conveyance expenses	198.72	46.26
Corporate social responsibility expenses (refer note (i) below)	75.05	86.66
Insurance expenses	124.52	139.77
Customer incentive and other charges	6.05	2.34
Foreign exchange losses-realized	0.01	1.48
Donations and contributions	0.10	250.00
Balances written off	33.83	-
Miscellaneous expenses	20.69	12.03
	4,015.26	1,102.84

* inclusive of swachh bharat cess

(i) Corporate social responsibility expenses

(a) Gross amount required to be spent by the Group during the year is ₹ 75.05 lakhs (previous year ₹ 86.66 lakhs).

(b) Amount spent during the year on:

Particulars	Year	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	31 March 2018	-	-	-
	31 March 2017	-	-	-
(ii) On purposes other than (i) above	31 March 2018	75.05	-	75.05
	31 March 2017	86.66	-	86.66

NOTE – 33
INCOME TAX

	For the year ended 31 March 2018	For the year ended 31 March 2017
Tax expense comprises of:		
Current tax (including earlier years)	483.79	24.09
Deferred tax charge/(credit)	(25.85)	(13.23)
Income tax expense reported in the statement of profit and loss	457.94	10.86

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Group at 34.608% (31 March 2017: 34.608%) and the reported tax expense in statement of profit and loss are as follows:

(All Amounts in ₹ lakhs, unless otherwise stated)

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

	For the year ended 31 March 2018	For the year ended 31 March 2017
Accounting profit/(loss) before income tax	1,244.55	(1,266.78)
At statutory income tax rate	430.71	(438.41)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact of expenses with temporary difference	(4.35)	11.37
Tax impact of exempted income	(125.07)	(1,103.68)
Tax impact of earlier year items	157.48	(0.51)
Tax impact on account of changes in income tax rate	385.31	1,481.68
Tax impact of expenses which will never be allowed	136.78	0.74
Tax impact of unrecognised deferred tax on unabsorbed losses	(521.15)	(16.74)
Others	(1.77)	76.41
Income tax expense	457.94	10.86

NOTE – 34

EARNINGS PER SHARE (EPS)

The Group's Earnings per Share ("EPS") is determined based on the net profit attributable to the shareholders of the Holding Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

The following reflects the income and share data used in the basic and diluted EPS computation

	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit/(loss) attributable to equity holders	343.66	(2,105.91)
Weighted average number of equity shares for basic earnings per share	50,864,520	50,718,493
Add: Share Warrants	3,399,657	-
Weighted average number of equity shares adjusted for diluted earnings per share	54,264,177	50,718,493
Earnings per equity share of face value ₹ 2/- each		
(1) Basic (₹)	0.68	(4.15)
(2) Diluted (₹)	0.63	(4.15)

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 35

FAIR VALUE MEASUREMENTS

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the financial statements are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability.

(ii) Financial assets measured at fair value

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

Financial assets measured at fair value

31 March 2017	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	-	-	-	-
Total financial assets	-	-	-	-

Financial assets measured at fair value

01 April 2016	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	-	-	-	-
Total financial assets	-	-	-	-

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

Specific valuation techniques used to value financial instruments include -

- (i) Use of net asset value for mutual funds on the basis of the statement received from investee party.

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 36

FINANCIAL RISK MANAGEMENT

(i) Financial instruments by category

	31 March 2018			31 March 2017			01 April 2016		
	FVTPL*	FVOCI#	Amortised cost	FVTPL*	FVOCI#	Amortised cost	FVTPL*	FVOCI#	Amortised cost
Financial assets									
Investments									
Mutual funds	22,220.12	-	-	-	-	-	-	-	-
Trade receivables	-	-	10,106.06	-	-	4,686.22	-	-	5,770.50
Loans	-	-	58.53	-	-	9,558.53	-	-	58.53
Cash and cash equivalents	-	-	2,518.56	-	-	2,342.35	-	-	1,056.41
Other bank balances	-	-	42.58	-	-	298.72	-	-	533.22
Security deposits	-	-	242.63	-	-	199.83	-	-	67,062.75
Other financial assets	-	-	1.58	-	-	28.52	-	-	16.03
Total financial assets	22,220.12	-	12,969.94	-	-	17,114.17	-	-	74,497.44

	31 March 2018			31 March 2017			01 April 2016		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities									
Borrowings (including interest accrued)	-	-	67,484.26	-	-	70,028.38	-	-	70,337.83
Trade payables	-	-	1,944.00	-	-	2,804.32	-	-	4,722.67
Security deposits	-	-	141.54	-	-	8,644.64	-	-	62,312.51
Other financial liabilities			1,454.36			624.51			651.09
Total financial liabilities	-	-	71,024.16	-	-	82,101.85	-	-	138,024.10

* These financial assets are mandatorily measured at fair value.

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

(ii) Financial instruments measured at amortised cost

For amortised cost instruments, carrying value represents the best estimate of fair value except for long-term financial assets.

(iii) Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

a) Credit risk management

i) Credit risk rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
A: Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, loans, security deposits, investments (short-term) and other financial assets	12 month expected credit loss/Life time expected credit loss
B: Moderate Credit risk	Loan and other financial assets	12 month expected credit loss
C: High credit risk	Trade receivables	Life time expected credit loss of fully provided for

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

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Assets under credit risk –

Credit rating	Particulars	31 March 2018	31 March 2017	01 April 2016
A: Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, loans, security deposits, investments (short-term) and other financial assets	35,190.05	17,114.17	74,497.44
C: High credit risk	Trade receivables	1,327.03	-	-

ii) Concentration of financial assets

The Group's principal business activities are real estate project advisory, construction and development of real estate projects and advisory services, aviation services, maintenance and management services, equipment hiring services, and all other related activities. The Group's outstanding receivables are for real estate project and advisory services, aviation services, maintenance and management services, equipment hiring services. Loans and other financial assets majorly represents deposits given for business purposes.

(All Amounts in ₹ lakhs, unless otherwise stated)

b) Credit risk exposure

Provision for expected credit losses

The Group provides for 12 month expected credit losses for following financial assets –

As at 31 March 2018

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

As at 31 March 2017

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	2,342.35	-	2,342.35
Other bank balances	298.72	-	298.72
Loans	9,558.53	-	9,558.53
Security deposit	199.83	-	199.83
Other financial assets	28.52	-	28.52

As at 01 April 2016

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	1,056.41	-	1,056.41
Other bank balances	533.22	-	533.22
Loans	58.53	-	58.53
Security deposit	67,062.75	-	67,062.75
Other financial assets	16.03	-	16.03

Expected credit loss for trade receivables under simplified approach

Air transportation services receivables

The Group considers provision for lifetime expected credit loss. Given the nature of business operations, the Group's receivables from air transportation business has low credit risk. Based upon historical loss experience and forward looking information, the Group has provided expected credit loss in relation to receivables from air transportation services.

Reconciliation of loss allowance	Trade receivables
Loss allowance as on 01 April 2016	-
Impairment loss recognised during the year	-
Loss allowance as on 31 March 2017	-
Impairment loss recognised during the year	1,327.03
Loss allowance as on 31 March 2018	1,327.03

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

(B) Liquidity risk

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

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

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

31 March 2017	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Non-derivatives					
Borrowings (including accrued interest)	40,089.85	3,480.82	218.42	26,239.29	70,028.38
Trade payable	2,804.32	-	-	-	2,804.32
Security deposits	8,644.64	-	-	-	8,644.64
Other financial liabilities	624.51	-	-	-	624.51
Total	52,163.32	3,480.82	218.42	26,239.29	82,101.85

1 April 2016	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Non-derivatives					
Borrowings (including accrued interest)	39,005.29	7,605.46	354.14	23,372.94	70,337.83
Trade payable	4,722.67	-	-	-	4,722.67
Security deposits	62,312.51	-	-	-	62,312.51
Other financial liabilities	651.09	-	-	-	651.09
Total	106,691.56	7,605.46	354.14	23,372.94	138,024.10

(All Amounts in ₹ lakhs, unless otherwise stated)

(C) Market risk

(i) Interest rate risk

The Group fixed rate borrowing are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

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

Particulars	31 March 2018	31 March 2017	01 April 2016
Fixed rate borrowing	40,347.71	40,358.10	39,797.55
Variable rate borrowing	26,722.97	29,298.92	29,343.23
Total borrowings	67,070.68	69,657.02	69,140.78

Sensitivity

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

Particulars	31 March 2018	31 March 2017
Interest rates - increase by 1% (31 March 2018: 1%)	(267.23)	(292.99)
Interest rates - decrease by 1% (31 March 2018: 1%)	267.23	292.99

(ii) Price Risk

The Group exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments in equity securities, the Group diversifies its portfolio of assets

Sensitivity

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

Particulars	31 March 2018	31 March 2017
Price sensitivity		
Mutual fund		
Price increase by (2%) - FVTPL instrument	444.40	-
Price decrease by (2%) - FVTPL instrument	(444.40)	-

(iii) Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Indian Rupee is the Group's functional currency. As a consequence, the Group's results are presented in Indian Rupee and exposures are managed against Indian Rupee accordingly. The Group has very limited foreign currency exposure mainly due to incurrence of some expenses. The Group may use foreign exchange option contracts or forward contracts towards operational exposures resulting from changes in foreign currency exchange rates exposure. These foreign exchange contracts, carried at fair value, may have varying maturities depending upon the primary host contract requirement. The Group manages its foreign currency risk by hedging appropriate percentage of its foreign currency exposure, as approved by the Board as per established risk management policy.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

Foreign currency risk exposure:

Particulars	Currency	31 March 2018	31 March 2017	01 April 2016
Trade payables	USD	92.57	83.92	194.15
	GBP	8.94	-	5.38
	EUR	-	-	6.03
Buyer credit	USD	16,911.47	16,858.04	23,879.84
Interest payable on buyer credit	USD	402.68	316.67	228.50
Advances	USD	2.40	-	8.87
	EUR	41.58	19.87	21.55

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Currency	Exchange rate increase by 1%		Exchange rate decrease by 1%	
		31 March 2018	31 March 2017	31 March 2018	31 March 2017
Trade payables	USD	(0.93)	(0.84)	0.93	0.84
	GBP	(0.09)	-	0.09	-
	EUR	-	-	-	-
Buyer credit	USD	(169.11)	(168.58)	169.11	168.58
Interest payable on buyer credit	USD	(4.03)	(3.17)	4.03	3.17
Advances	USD	0.02	-	(0.02)	-
	EUR	0.42	0.20	(0.42)	(0.20)

NOTE – 37

EXPLANATION OF TRANSITION TO IND AS

A Reconciliation of total equity as at 31 March 2017 and 01 April 2016

Particulars	31 March 2017			01 April 2016		
	Previous GAAP*	Effect of transition to Ind AS	Ind AS	Previous GAAP*	Effect of transition to Ind AS	Ind AS
Non-current assets						
Property, plant and equipment	56,103.33	(22,420.45)	33,682.88	58,909.50	(23,328.05)	35,581.46
Goodwill	34,663.74	(8,050.93)	26,612.81	34,663.74	(8,050.93)	26,612.81
Other intangibles assets	99.00	-	99.00	89.15	-	89.15
Financial assets						
Loans	188.52	-	188.52	204.75	-	204.75
Other financial assets	1.01	-	1.01	1.09	-	1.09
Deferred tax assets, net	594.61	-	594.60	581.37	-	581.37
Non-current tax assets, net	3,682.63	-	3,682.63	3,374.65	-	3,374.65
Other non-current assets	6,877.76	(6,834.28)	43.48	22.40	-	22.40
Total non-current assets	102,210.60	(37,305.66)	64,904.93	97,846.65	(31,378.98)	66,467.68

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

Particulars	31 March 2017			01 April 2016		
	Previous GAAP*	Effect of transition to Ind AS	Ind AS	Previous GAAP*	Effect of transition to Ind AS	Ind AS
Current assets						
Inventories	1,644.74	-	1,644.74	2,031.77	-	2,031.77
Financial assets						
Trade receivables	4,686.22	-	4,686.22	5,770.51	-	5,770.50
Cash and cash equivalents	2,342.35	-	2,342.35	1,056.41	-	1,056.41
Other bank balances	298.71	-	298.71	533.22	-	533.22
Loans	9,569.84	-	9,569.84	66,916.53	-	66,916.53
Other financial assets	27.51	-	27.51	14.94	-	14.94
Other current assets	32,043.01	-	32,043.01	31,863.31	-	31,863.31
Total current assets	50,612.38	-	50,612.38	108,186.69	-	108,186.68
Total assets	152,822.98	(37,305.66)	115,517.32	206,033.34	(31,378.98)	174,654.36

Particulars	31 March 2017			01 April 2016		
	Previous GAAP*	Effect of transition to Ind AS	Ind AS	Previous GAAP*	Effect of transition to Ind AS	Ind AS
Equity						
Equity share capital	1,014.37	-	1,014.37	1,014.37	-	1,014.37
Other equity	60,578.93	(29,572.07)	31,006.86	62,736.09	(29,614.97)	33,121.12
Total equity	61,593.30	(29,572.07)	32,021.23	63,750.46	(29,614.97)	34,135.49
Non controlling interest	-	(485.14)	(485.14)	-	(1,308.26)	(1,308.26)
	61,593.30	(30,057.21)	31,536.09	63,750.46	(30,923.23)	32,827.23
Liabilities						
Non-current liabilities						
Financial liabilities						
Borrowings	30,298.39	(359.86)	29,938.53	31,695.49	(362.94)	31,332.55
Other financial liabilities	15,806.00	(6,888.59)	8,917.41	9,500.00	-	9,500.00
Provisions	243.76	-	243.76	198.10	-	198.10
Other non-current liabilities	144.54	-	144.54	-	-	-
Total non-current Liabilities	46,492.69	(7,248.45)	39,244.24	41,393.59	(362.94)	41,030.65
Current liabilities						
Financial liabilities						
Borrowings	37,173.09	-	37,173.09	35,177.00	-	35,177.00
Trade payables	2,804.32	-	2,804.32	4,722.67	-	4,722.67
Other financial liabilities	3,685.92	-	3,685.92	57,384.69	(92.81)	57,291.88
Other current liabilities	1,051.67	-	1,051.67	3,566.43	-	3,566.43
Provisions	12.76	-	12.76	38.50	-	38.50
Current tax liabilities, net	9.23	-	9.23	-	-	-
Total current liabilities	44,736.99	-	44,736.99	100,889.29	(92.81)	100,796.48
Total equity and liabilities	152,822.98	(37,305.66)	115,517.32	206,033.34	(31,378.98)	174,654.36

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

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

B Reconciliation of total comprehensive income for the year ended 31 March 2017

Particulars	Previous GAAP*	Effect of transition to Ind AS	Ind AS
Revenue from operations	22,344.46	-	22,344.46
Other income	1,968.41	-	1,968.41
Total revenue	24,312.87	-	24,312.87
Expenses			
Cost of revenue	726.79	-	726.79
Operating expenses	15,022.14	-	15,022.14
Employee benefits expenses	2,441.16	(17.13)	2,424.03
Finance costs	3,043.38	513.30	3,556.68
Depreciation and amortisation expense	4,126.50	(1,379.33)	2,747.17
Other expenses	1,102.84	-	1,102.84
Total expenses	26,462.81	(883.16)	25,579.65
Profit/(loss) before tax	(2,149.94)	883.16	(1,266.78)
Tax expense:			
Current tax (including earlier year tax)	(0.51)	24.60	24.09
Deferred tax	11.37	(24.60)	(13.23)
Profit/(loss) for the year	(2,160.80)	883.16	(1,277.64)
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Re-measurement (loss)/gain on defined benefits plans	-	(17.13)	(17.13)
Total other comprehensive income for the year	(2,160.80)	866.03	(1,294.77)

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

C First time adoption of Ind AS

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

The accounting policies set out have been applied consistently in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 01 April 2016 (the Group's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in the following tables and notes.

D Ind AS optional exemptions

1 Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Group has elected to apply this exemption for its investment in equity investments.

2 Share based payments

Ind AS 102 Share based payments requires an entity to record the options on their fair value instead of intrinsic value. Ind AS 101 permits a first time adopter to ignore such requirement for the options already vested as on transition date that is 01 April 2016. The Group has elected to apply this exemptions for such vested options.

(All Amounts in ₹ lakhs, unless otherwise stated)

3 Deemed cost for property, plant and equipment

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipments as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly the Group has elected to measure all of its property, plant and equipments at their previous GAAP carrying value except for a class of assets (i.e. aircrafts)

E Ind AS mandatory exemptions

1 Estimates

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

Ind AS estimates as at 01 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

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

2 Classification and measurement of financial assets and liabilities

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

F Reconciliations between previous GAAP and Ind AS

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

1 Reconciliation of total equity as at 31 March 2017 and 01 April 2016

	Notes to first time adoption	31 March 2017	1 April 2016
Total equity (shareholder's funds) as per previous GAAP		61,593.30	63,750.46
Adjustments:			
Impact due to fair valuation of property, plant and equipment	Note – D	(22,420.45)	(23,328.05)
Adjustment of non-controlling interest	Note – A	(8,050.93)	(8,050.93)
Impact of reversal Hedge	Note – A	54.31	-
Impact of effective interest rate adjustment on borrowings and processing fees	Note – A	359.86	455.75
Total adjustments		(30,057.21)	(30,923.23)
Total equity as per Ind AS		31,536.09	32,827.23

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

2 Reconciliation of total comprehensive income for the year ended 31 March 2017

	Notes to first time adoption	31 March 2017
Profit after tax as per previous GAAP		(2,160.80)
Adjustments:		
Impact of effective interest rate adjustment on borrowings and processing fees	Note – A	(95.89)
Impact of fair valuation of forward contracts	Note – A	(417.41)
Impact on depreciation due to fair valuation of property, plant and equipment	Note - D	1,379.33
Impact of financial asset at fair value through other comprehensive income	Note – C	
Total adjustments		866.03
Total comprehensive income		(1,294.77)

3 Impact of Ind AS adoption on the consolidated statements of cash flows for the year ended 31 March 2017

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash used in operating activities	**15,312.15	(68,177.62)	(52,865.47)
Net cash flow from investing activities	**(10,618.49)	67,730.32	57,111.83
Net cash flow from financing activities	(3,407.60)	447.18	(2,960.42)
Net increase in cash and cash equivalents	1,286.06	(0.12)	1,285.94
Cash and cash equivalents as at 01 April 2016	**1,056.29	0.12	1,056.41
Cash and cash equivalents as at 31 March 2017	2,342.35	-	2,342.35

** the impact is on account of reclassification as per Ind AS requirements.

NOTES TO FIRST TIME ADOPTION

NOTE – A BORROWINGS

Ind AS 109 requires transaction costs incurred towards borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the statement of profit and loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged to statement of profit and loss over the period of loan basis on straight lining basis.

NOTE – B DEFERRED TAX

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

NOTE – C OTHER COMPREHENSIVE INCOME

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

NOTE – D FAIR VALUE MEASUREMENTS

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipments as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use

(All Amounts in ₹ lakhs, unless otherwise stated)

that as its deemed cost as at the date of transition. Accordingly the Group has elected to measure all of its property, plant and equipments at their previous GAAP carrying value except for a class of assets (i.e. aircrafts)

NOTE – E

FINANCIAL ASSETS AT AMORTISED COST

Under the previous GAAP, financial assets are recorded at their transaction value. Under Ind AS, all financial assets are required to be initially recognised at fair value. Accordingly, the Group has fair valued these financial assets under Ind AS through amortised cost (that are not considered in FVTPL).

NOTE – 38

CAPITAL MANAGEMENT

The Group's objectives when managing capital are:

- To ensure Group's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Group manages its capital requirements by overseeing the following ratio –

Debt equity ratio			
	31 March 2018	31 March 2017	01 April 2016
Net debt *	42,288.67	67,014.94	67,550.06
Total equity	48,290.81	31,536.09	32,827.23
Net debt to equity ratio	0.88	2.13	2.06

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

NOTE – 39

GROUP INFORMATION

Information about subsidiaries

The information about subsidiaries of the Group is as follows. The below table includes the information about step down subsidiaries as well.

Name of subsidiary	Country of incorporation/ principal place of business	Proportion of ownership interest as at 31 March 2018	Proportion of ownership interest as at 31 March 2017	Proportion of ownership interest as at 01 April 2016
SORIL Infra Resources Limited (Formerly known as Store one Retail India Limited)	India	73.85%	73.85%	73.85%
Sentia Properties Limited	India	100%	100%	100%
Lucina Infrastructure Limited	India	100%	100%	100%
Albasta Wholesale Services Limited	India	100%	100%	100%
Mahabala Infracon Private Limited	India	100%	100%	100%
Ashva Stud and Agricultural Farms Limited	India	100%	100%	100%
Indiabulls Life Insurance Company Limited	India	100%	-	-
Indiabulls General Insurance Limited	India	100%	-	-
Store One Infra Resources Limited	India	73.85%	73.85%	73.85%
Airmid Aviation Services Limited	India	100%	100%	100%

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 40

RELATED PARTY TRANSACTIONS

Subsidiaries

Details in reference to subsidiaries are presented in Note – 39

Key management personnel

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

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

During the year ended 31 March 2018 and 31 March 2017, there were no material transactions with related parties.

NOTE – 41

CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	31 March 2018	31 March 2017	01 April 2016
Income tax matters for in respect of the which appeals have been filed by the Group	*333.64	357.01	606.61
Guarantees issued by banks to Sales tax and Custom department (secured by way of fixed deposits of the Group)	21.93	1.25	1.25
Claims (excluding interest) against the Group not acknowledged as debts	2,780.00	1,406.03	148.03
Matters related to value added tax for financial year 2007-08 in respect of which appeal has been filed by Group	-	-	111.64
Commitments			
Estimated amount of Contracts remaining to be executed on capital account, net of advances	1292.57	107.69	79.82
Letter of credit issued by the Group	382.62	-	-

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

* The Group has also received the order in its favour in relation to income tax demand to the extent of ₹ 260.31 lakhs from CIT (A) and the department filed appeal to ITAT Delhi.

There are legal cases against the Group in the ordinary course of business. Management has evaluated the same and depending upon the facts and after due evaluation of legal aspects of each case, adequate amounts have been provided in respect of the claims made against the Group under these cases. The Group does not expect any further liability and these litigations/lawsuits and claims may, individually or in aggregate, will not have any material adverse effect on the financial position of the Group.

There are no other contingent liabilities and commitments to be reported as on 31 March 2018, 31 March 2017 and 01 April 2016.

NOTE – 42

EMPLOYEE BENEFITS

Defined contribution plan

The Group has made ₹ 5.92 lakhs (31 March 2017: ₹ 3.58 lakhs) contribution in respect of provident fund.

Defined benefit plan

The Group has following defined benefit plans:

- Gratuity (unfunded)
- Compensated absences (unfunded)

(All Amounts in ₹ lakhs, unless otherwise stated)

Risks associated with plan provisions

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

Compensated absence

The leave obligations cover the Group's liability for permitted leaves. The amount of provision of ₹8.40 lakhs (31 March 2017: ₹ 6.90 lakhs; 01 April 2016: ₹ 2.59 lakhs) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. The weighted average duration of the defined benefit obligation is 18.34 years (31 March 2017: 16.58 years).

Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity plan is a non-funded plan. The weighted average duration of the defined benefit obligation is 18.34 years (31 March 2017: 16.58 years)

Actuarial (gain)/loss on obligation:

Particulars	Gratuity		Compensated absence	
	For the year ended		For the year ended	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Actuarial (gain)/loss on arising from change in demographic assumption	-	-	-	-
Actuarial (gain)/loss on arising from change in financial assumption	(4.59)	7.53	(2.25)	3.59
Actuarial (gain)/loss on arising from change in experience adjustment	(13.16)	9.60	(11.28)	4.81

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

Particulars	Gratuity		Compensated absence	
	For the year ended		For the year ended	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Service cost	79.26	35.05	33.83	18.57
Net interest cost	13.08	10.67	6.18	5.36
Actuarial (gain)/loss for the year	(17.75)	17.13	1.41	(1.45)
Expenses recognized/(reversed) in the statement of profit and loss	74.60	62.86	41.42	22.48

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

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

Particulars	Gratuity		Compensated absence	
	As at		As at	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Present value of defined benefit obligation at the beginning of the year	174.20	135.55	82.32	68.03
Current Service Cost	79.26	35.05	33.83	18.57
Interest Cost	13.08	10.67	6.18	5.36
Actuarial (gain)/loss on obligation	(17.75)	17.13	(13.52)	(9.63)
Benefits paid	(9.95)	(24.20)	-	-
Present value of defined benefit obligation at the end of the year	238.85	174.20	108.81	82.32

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

Particulars	Gratuity		Compensated absence	
	As at		As at	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
a) Current liability (amount due within one year)	7.93	5.86	8.40	6.90
b) Non - current liability (amount due over one year)	230.91	168.34	100.41	75.42
Total projected benefit obligation at the end of the year	238.85	174.20	108.81	82.32

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

Particulars	Gratuity		Compensated absence	
	As at		As at	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Discount rate	7.93%	7.51%	7.93%	7.51%
Salary escalation rate	5.25%	5.00%	5.25%	5.00%
Mortality table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)

As the Group does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

(All Amounts in ₹ lakhs, unless otherwise stated)

Maturity plan of defined benefit obligation

	Year	31 March 2018		Year	31 March 2017	
		Gratuity	Compensated absence		Gratuity	Compensated absence
a)	April 2018 – March 2019	7.93	8.40	April 2017 – March 2018	5.86	6.90
b)	April 2019 – March 2020	15.75	1.80	April 2018 – March 2019	2.19	1.49
c)	April 2020 – March 2021	6.22	2.64	April 2019 – March 2020	3.53	1.33
d)	April 2021 – March 2022	4.79	1.94	April 2020 – March 2021	19.05	5.97
e)	April 2022 – March 2023	4.05	1.77	April 2021 – March 2022	3.46	1.43
f)	April 2023 – March 2024	15.04	5.54	April 2022 – March 2023	4.27	1.64
g)	April 2024 onwards	185.07	86.71	April 2023 onwards	135.84	63.56

Sensitivity analysis of the defined benefit obligation

Particulars	Gratuity	Compensated absence	Gratuity	Compensated absence
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Impact of the change in discount rate				
Present value of obligation at the end of the year	238.85	108.81	174.20	82.32
a) Impact due to increase of 0.50 %	(14.20)	(6.46)	(9.79)	(4.60)
b) Impact due to decrease of 0.50 %	15.56	7.06	10.73	5.02
Impact of the change in salary increase				
Present value of obligation at the end of the year	238.85	108.81	174.20	82.32
a) Impact due to increase of 0.50 %	15.90	7.22	10.95	5.12
b) Impact due to decrease of 0.50 %	(14.62)	(6.65)	(10.06)	(4.72)

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

NOTE – 43

SHARE BASED PAYMENTS

SORIL Holdings and Ventures Limited Employees Stock Options Scheme – 2011 The Holding Company established the SORIL Holdings and Ventures Limited Employees Stock Options Scheme - 2011 ("SHVL ESOS"). Under the Plan, the Holding Company granted 45,66,600 equity settled options to its eligible employees which gave them a right to subscribe up to 45,66,600 stock options representing an equal number of equity shares of face value of ₹ 2 each of the Holding Company at an exercise price of ₹ 105.20 per option, subject to the requirements of vesting. A compensation committee constituted by the Board of Directors of the Holding Company administers the Plan. The stock options so granted, shall vest in the eligible employees within 5 years beginning from 3 November 2018, the first vesting date. The stock options granted under each of the slabs are exercisable by the option holders within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan

Particulars	31 March 2018	31 March 2017
Opening balance	-	-
Granted during the year	45,66,600	-
Exercised during the year	-	-
Forfeited during the year	-	-
Closing balance	45,66,600	-
Vested and exercisable	-	-

Weighted average share exercised price during the year ended 31 March 2018: ₹ Nil (31 March 2017: ₹ Nil)

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

The total expense of share based payments recognized during the year ended 31 March 2018 is ₹155.45 lakhs (31 March 2017: ₹ Nil)

Particulars	SHVL ESOS
Fair market value of option on the date of grant	₹ 15.52
Exercise price	₹ 105.20
Expected volatility	40.57%-54.28%
Expected forfeiture percentage on each vesting date	20%
Expected option life (weighted average)	8 years
Expected dividend yield	100%
Risk free interest rate	6.56%-7.01%

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

SORIL Infra Resources Limited Employee Stock Option Scheme - 2009

The Shareholders of the subsidiary, namely, Soril Infra Resources Limited vide postal ballot passed a special resolution on 09 February 2009 for issue of 15,00,000 (Fifteen lakhs) shares towards issue of Employee Stock Option Scheme -2009 in supersession of Resolution passed on 12 May 2008 for ESOP -2008.

The Compensation Committee, constituted by the Board of Directors of the subsidiary, at its meeting held on November 03, 2017, granted, under the SORIL Infra Resources Limited Employee Stock Option Scheme - 2009 ("SORIL Infra ESOS-2009" or "Scheme"), 15,00,000 (Fifteen lakhs) stock options representing an equal number of Equity shares of face value ₹ 10 each in the subsidiary company, to the eligible employees, at an exercise price of ₹ 168.30 per option, being the latest available closing market price on the National Stock Exchange of India Limited, on the date of grant. The stock options so granted, shall vest in the eligible employees within 5 years beginning from first vesting date. The stock options granted under each of the slabs, can be exercised by the grantees within a period of 5 years from the relevant vesting date.

The Scheme had earlier granted option at ₹ 30.45 per option and no option were exercised and allotted till 31 March 2017

The title of the Scheme was changed from Store One Retail India Limited Employees Stock Option Scheme – 2009 to SORIL Infra Resources Limited Employee Stock Option Scheme – 2009 as per the revised certificate of incorporation dated 21 December 2016.

Following is a summary of options granted under the Scheme:

Particulars	31 March 2018	31 March 2017
Opening balance	-	-
Granted during the year	15,00,000	-
Exercised during the year	-	-
Forfeited during the year	-	-
Closing balance	15,00,000	-
Vested and exercisable	-	-

Weighted average share price of exercised option on the date of exercise was for the year ended 31 March 2018: ₹ Nil (31 March 2017: ₹ Nil).

The fair value of the option under Scheme using the black scholes model, based on the following parameters is ₹ 18.77 per option, as certified by an independent valuer.

(All Amounts in ₹ lakhs, unless otherwise stated)

Particulars	Scheme
Fair market value of option on the date of grant	₹ 18.77
Exercise price	₹ 168.30
Expected volatility	32.28 to 51.22%
Expected forfeiture percentage on each vesting date	20.00%
Expected option life (weighted average)	8 Years
Expected dividend yield	50.00%
Risk free interest rate	6.56% to 7.01%

The expected volatility was determined based on historical volatility data of the subsidiary's shares listed on the National Stock Exchange of India Limited.

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

Shareholders of the subsidiary, namely, Soril Infra Resources Limited in their Annual General Meeting held on 30 September 2009 have approved by way of special resolution the SORIL Infra Resources Limited Employee Stock Option Scheme - 2009(II) ("SORIL Infra ESOS-2009(II)" or "Scheme-II"), covering 30,00,000 (Thirty lakhs) equity settled options for eligible employees of 'The Group, its subsidiaries, its fellow subsidiaries and the holding company.

The Compensation Committee, constituted by the Board of Directors of the subsidiary, at its meeting held on 03 November 2017, granted, under the SORIL Infra Resources Limited Employee Stock Option Scheme - 2009(II) ("SORIL Infra ESOS-2009(II)" or "Scheme-II"), 30,00,000 (Thirty lakhs) stock options representing an equal number of Equity shares of face value ₹ 10 each in the subsidiary company, to the eligible employees, at an exercise price of ₹ 168.30 per option, being the latest available closing market price on the National Stock Exchange of India Limited, on the date of grant. The stock options so granted, shall vest in the eligible employees within 5 years beginning from first vesting date. The stock options granted under each of the slabs, can be exercised by the grantees within a period of 5 years from the relevant vesting date.

The title of the Scheme-II was changed from Store One Retail India Limited Employees Stock Option Scheme - 2009(II) to SORIL Infra Resources Limited Employee Stock Option Scheme - 2009(II) as per the revised certificate of incorporation dated 21 December 2016.

Following is a summary of options granted under the Scheme-II:

Particulars	31 March 2018	31 March 2017
Opening balance	-	-
Granted during the year	30,00,000	-
Exercised during the year	-	-
Forfeited during the year	-	-
Closing balance	30,00,000	-
Vested and exercisable	-	-

Weighted average share price of exercised option on the date of exercise was for the year ended 31 March 2018: ₹ Nil (31 March 2017: ₹ Nil).

The fair value of the option under Scheme-II using the black scholes model, based on the following parameters is ₹18.77 per option, as certified by an independent valuer.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

Particulars	Scheme
Fair market value of option on the date of grant	₹18.77
Exercise price	₹168.30
Expected volatility	32.28 to 51.22%
Expected forfeiture percentage on each vesting date	20.00%
Expected option life (weighted average)	8 Years
Expected dividend yield	50.00%
Risk free interest rate	6.56% to 7.01%

The expected volatility was determined based on historical volatility data of the subsidiary's shares listed on the National Stock Exchange of India Limited.

During the year, the subsidiary has recognised Share based payment expenses of ₹ 191.36 lakhs (31 March 2017: ₹ Nil).

NOTE – 44

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES PURSUANT TO IND AS 7 – CASH FLOWS

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

Particulars	Amount
Net debt as at 31 March 2017	69,657.02
Fair valuation impact	159.50
Proceeds from current/non-current borrowings (including current maturities)	14,505.03
Repayment of current/non-current borrowings (including current maturities)	(17,250.88)
Net debt as at 31 March 2018	67,070.67

NOTE – 45

OPERATING LEASE

The Group has taken premises on operating leases and lease rent of ₹ 679.92 lakhs (31 March 2017: ₹ 419.30 lakhs) in respect of the same has been charged to statement of profit and loss for the year ended 31 March 2018. The minimum lease rentals payable in respect of such operating leases are as under:

Minimum lease rentals payable	For the year ended	
	31 March 2018	31 March 2017
Within one year	665.82	607.07
Later than one year but not later than five years	1,736.95	1,903.20
Later than five years	-	-
Total	2,402.77	2,510.27

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 46

SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTEREST ('NCI')

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

Description	Country	31 March 2018	31 March 2017	01 April 2016
SORIL Infra Resources Limited (Formerly known as Store One Retail India Limited)	India	26.15%	26.15%	26.15%

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

SORIL Infra Resources Limited

Balance Sheet

Description	31 March 2018	31 March 2017	01 April 2016
Non-current assets	16,366.00	16,868.26	17,696.56
Current assets	18,306.19	18,148.63	71,060.04
Total assets	34,672.19	35,016.89	88,756.60
Non-current liabilities	1,181.40	3,659.65	5,169.64
Current liabilities	33,461.17	33,212.62	88,590.34
Total liabilities	34,642.57	36,872.27	93,759.98
Net assets/total equity	29.62	(1,855.38)	(5,003.38)
Attributable to:			
Controlling interests	21.87	(1,370.20)	(3,695.00)
Non-controlling interests	7.75	(485.18)	(1,308.38)

Statement of profit and loss

Description	31 March 2018	31 March 2017
Total revenue	18,335.37	21,650.90
Profit for the year	1,726.24	3,167.70
Total comprehensive income	1,725.85	3,148.00
Attributable to non-controlling interests	451.31	823.20

Cash flow information

Description	31 March 2018	31 March 2017
Cash flow from operating activities	1,643.67	14,718.21
Cash flow from investing activities	278.50	(12,493.00)
Cash flow from financing activities	(3,537.26)	(528.83)
Net (decrease)/increase in cash and cash equivalents	(1,615.09)	1,696.38

NOTE – 47

BUSINESS COMBINATIONS

Acquisition of business

Acquisition during the year ended 31 March 2018

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

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

Details of assets and liabilities of the acquired:

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

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

Capital Reserve

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

Acquisition during the year ended 31 March 2017

The Group did not make any acquisition during the year ended 31 March 2017.

NOTE – 48

Disclosure in respect of the Guidance Note issued by Institute of Chartered Accountants of India on “Accounting for Real Estate Transactions” under Ind AS

Particulars	31 March 2018	31 March 2017
Amount of project revenue recognized as revenue during the year	36.20	554.10
Aggregate amount of costs incurred and profits recognized to date	22,347.35	22,311.15
Amount of advance received	133.14	138.93
Amount of work-in-progress and value of inventories	30.20	61.18
Excess of revenue recognized over actual bills raised (Unbilled revenue)	0.81	0.81

NOTE – 49

A search was conducted by the competent authority under section 132(1) of the Income Tax Act, 1961 ('the Act') at premises of the Group Companies in the previous year ended 31 March 2017. Pursuant to the search, the Assessing Officer has issued notices under relevant sections of the Act to the Holding Companies for some of the earlier financial years. Consequently, in order to avoid protracted tax litigation, the Holding Company has filed application under Section 245C (1) of the Act before the Hon'ble Income Tax Settlement Commission ('ITSC') on 03 October 2017 and accordingly deposited ₹ 224.90.lakhs as tax and ₹ 125.10 lakhs as interest towards the proposed settlement which has been provided for in the books of accounts. The said application has since been admitted by ITSC vide its Order dated 10 October 2017 passed u/s 245D (1) of the Act and allowed to be proceeded with vide Order dated 4 December 2017 passed u/s 245D (2C) of the Act. The matter is now pending before the Hon'ble ITSC for final determination.

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 50

SEGMENT REPORTING

Disclosure pursuant to Ind AS 108 "Operating Segment". Information about reportable segments are given below:-

(a) Primary segment information (by business segments)

Year ended 31 March 2018

Particulars	Real estate	Aviation services	Management and maintenance services	Equipment renting services	LED Lighting	Construction, advisory and other related activities	Others*	Total
(i) Segment revenue								
External revenue	110.19	7,185.22	8,598.69	5,259.59	2,192.04	432.40	-	23,778.13
Inter-segment revenue	-	(503.7)	-	-	-	-	-	(503.70)
Total revenue	110.19	6,681.52	8,598.69	5,259.59	2,192.04	432.40	-	23,274.43
(ii) Segment result								
Profit/(loss) before tax and interest	(250.67)	(1023.23)	2,912.38	833.93	(824.01)	177.88	1,538.78	3,365.06
Add/less: Unallocated expenditure net of other unallocated income	-	-	-	-	-	-	-	724.83
Operating profit	(250.67)	(1023.23)	2,912.38	833.93	(824.01)	177.88	1,538.78	2,640.23
Less: interest expense	-	-	-	-	-	-	-	1,395.68
Total profit/(loss) from operating activities before tax	(250.67)	(1023.23)	2,912.38	833.93	(824.01)	177.88	1,538.78	1,244.55
(iii) Segment assets and liabilities								
Segment assets	30,374.69	15,601.08	1,444.87	16,279.57	1,464.64	-	1,518.04	66,682.89
Unallocated corporate assets	-	-	-	-	-	-	-	29,285.11
Total assets	25,690.56	39,873.49	1,598.68	4,536.10	609.61	-	13.73	95,968.00
Segment liabilities	-	-	-	-	-	-	-	72,322.17
Unallocated corporate liabilities	-	-	-	-	-	-	-	1,957.35
Total liabilities	-	-	-	-	-	-	-	74,279.52
Capital employed (total assets - total liabilities)	-	-	23.91	1,379.75	95.35	-	(1.67)	21,688.48
(iv) Capital expenditure including capital advances								
Unallocated capital expenditure including capital advances	-	-	-	-	-	-	-	1,499.01
Total capital expenditure including capital advances	8.94	1,293.61	35.86	1,201.63	11.97	-	2.18	1,602.41
(v) Depreciation and amortization expense								
Unallocated depreciation and amortization expense	-	-	-	-	-	-	-	2,554.19
Total depreciation and amortization expense	157.43	1,665.37	3.54	-	-	-	-	2,795.62
(vi) Non-cash expenditure other than depreciation								
Unallocated non-cash expenditure other than depreciation	-	-	-	-	-	-	-	1,826.34
Total non-cash expenditure other than depreciation	-	-	-	-	-	-	-	285.21
								2,111.55

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

Year ended 31 March 2017

Particulars	Real estate	Aviation services	Management and maintenance services	Equipment renting services	LED Lighting	Construction, advisory and other related activities	Others*	Total
(i) Segment revenue								
External revenue	584.15	3,410.94	7,737.11	6,832.86	-	5,140.18	11.61	23,716.85
Inter-segment revenue	-	(1372.39)	-	-	-	-	-	(1372.39)
Total revenue	584.15	2,038.55	7,737.11	6,832.86	-	5,140.18	11.61	22,344.46
(ii) Segment result								
Profit/(loss) before tax and interest	(243.79)	(4207.21)	826.01	1,015.03	-	426.04	(2.65)	(2186.57)
Add/less: Unallocated expenditure net of other unallocated income	-	-	-	-	-	-	-	(1093.10)
Operating profit	(243.79)	(4207.21)	826.01	1,015.03	-	426.04	(2.65)	(1093.47)
Less: Interest expense	-	-	-	-	-	-	-	173.31
Total profit/(loss) from operating activities before tax	(243.79)	(4207.21)	826.01	1015.03	-	426.04	(2.65)	(1266.78)
(iii) Segment assets and liabilities								
Segment assets	31,591.96	21,847.60	588.63	16,153.93	-	8.06	1,519.07	71,709.25
Unallocated corporate assets								17,195.25
Total assets	31,591.96	21,847.60	588.63	16,153.93	-	8.06	1,519.07	88,904.50
Segment liabilities	25,725.87	46,889.17	2,274.72	3,485.58	-	19.89	651.02	79,046.25
Unallocated corporate liabilities								4,934.97
Total liabilities	25,725.87	46,889.17	2,274.72	3,485.58	-	19.89	651.02	83,981.22
Capital employed (total assets - total liabilities)								4,923.28
(iv) Capital expenditure including capital advances								
Unallocated capital expenditure including capital advances	12.57	879.89	39.24	396.03	-	-	-	1,327.73
Total capital expenditure including capital advances	12.57	879.89	39.24	396.03	-	-	-	20.60
(v) Depreciation and amortization expense								
Unallocated depreciation and amortization expense	3.62	1,294.35	25.17	1,169.78	-	-	2.05	2,494.97
Total depreciation and amortization expense	3.62	1,294.35	25.17	1,169.78	-	-	2.05	252.20
(vi) Non-cash expenditure other than depreciation								
Unallocated non-cash expenditure other than depreciation	-	-	144.54	-	-	-	-	144.54
Total non-cash expenditure other than depreciation	-	-	144.54	-	-	-	-	58.62
								203.16

(All Amounts in ₹ lakhs, unless otherwise stated)

- b) The Group's primary business segments are reflected based on principal business activities carried on by the Group.
- The Group operates in six reportable business segments
- (i) Real estate projects under development
 - (ii) Aviation services
 - (iii) Maintenance and management services
 - (iv) Equipment Hiring Services
 - (v) LED Lighting
 - (vi) Construction, advisory and other related activities.
- * Other non-reportable segments have been shown under others.
- c) The Group operates solely in one Geographic segment namely "Within India" and hence no separate information for Geographic segment wise disclosure is required.
- d) Revenues and expenses directly attributable to segments are reported under each reportable segment. All other revenue and expenses which are not attributable or allocable to segments have been disclosed as unallocable revenue and expenses respectively. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

NOTE – 51

Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013.

Name of the entity in the Group	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of con- solidated net assets	Amount	As % of con- solidated profit	Amount	As % of con- solidated profit	Amount	As % of con- solidated profit	Amount
Holding Company								
SORIL Holdings and Ventures Limited (Formerly known as Indiabulls Wholesale Services Limited)	(70.71%)	(15,335.13)	(6.94%)	(54.61)	(5.69%)	(1.01)	(6.91%)	(55.62)
Indian subsidiaries								
SORIL Infra Resources Limited	66.05%	14,326.23	129.59%	1,019.40	(2.20%)	(0.39)	126.68%	1,019.01
Sentia Properties Limited	137.93%	29,915.78	(18.22%)	(143.32)	0.00%	-	(17.82%)	(143.32)
Lucina Infrastructure Limited	5.81%	1,260.08	(0.02%)	(0.15)	0.00%	-	(0.02%)	(0.15)
Albasta Wholesale Services Limited	0.28%	60.89	(0.61%)	(4.82)	0.00%	-	(0.60%)	(4.82)
Mahabala Infracon Private Limited	6.97%	1,511.29	(7.78%)	(61.17)	0.00%	-	(7.60%)	(61.17)
Ashva Stud and Agricultural Farms Limited	0.02%	3.79	(0.04%)	(0.33)	0.00%	-	(0.04%)	(0.33)
Indiabulls Life Insurance Company Limited	51.40%	11,146.89	11.88%	93.42	0.00%	-	11.61%	93.42
Indiabulls General Insurance Limited	0.34%	74.16	(3.29%)	(25.86)	0.00%	-	(3.21%)	(25.86)
Airmid Aviation Services Limited	(98.09%)	(21,275.50)	(4.57%)	(35.94)	107.89%	19.15	(2.09%)	(16.79)

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ lakhs, unless otherwise stated)

NOTE – 52

The Group has exposure to foreign exchange related risks.

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

(a) Hedge portion of foreign currency exposure:

Particulars	31 March 2018		31 March 2017		01 April 2016	
	(In USD)	(₹ in lakhs)	(In USD)	(₹ in lakhs)	(In USD)	(₹ in lakhs)
Buyers credit	10,000,000	7,306.00	10,000,000	7,306.00	-	-

(b) Unhedge portion of foreign currency exposure:

Particulars	31 March 2018		31 March 2017		01 April 2016	
	(In USD)	(₹ in lakhs)	(In USD)	(₹ in lakhs)	(In USD)	(₹ in lakhs)
Trade payables	98,270	63.92	129,435	83.92	292,693	194.15
Security deposits given					15,000	9.95
Buyers credit	26,000,000	16,911.47	26,000,000	16,858.04	36,000,000	23,879.84
Interest payable on buyers credit	619,080	402.68	488,400	316.67	344,470	228.50

Particulars	31 March 2018		31 March 2017		01 April 2016	
	(In GBP)	(₹ in lakhs)	(In GBP)	(₹ in lakhs)	(In GBP)	(₹ in lakhs)
Trade payables	9,685	8.94	-	-	5,662	5.38

Particulars	31 March 2018		31 March 2017		01 April 2016	
	(In Euro)	(₹ in lakhs)	(In Euro)	(₹ in lakhs)	(In Euro)	(₹ in lakhs)
Trade payables	-	-	-	-	5,002	3.76

NOTE – 53

OTHER MATTERS

- In respect of amounts as mentioned under Section 125 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2018, 31 March 2017 and 01 April 2016.
- In the opinion of the Board of Directors, all current assets and long term loans & advances, appearing in the balance sheet as at 31 March 2018, have a value on realization, in the ordinary course of the Group's business, at least equal to the amount at which they are stated in the financial statements. In the opinion of the board of directors, no provision is required to be made against the recoverability of these balances.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number: 005975N

Vikas Aggarwal

Partner

Place: Gurugram

Date: 02 May, 2018

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

Priya Jain

Company Secretary

Ajit Kumar Mittal

Director

[DIN: 02698115]

Saurabh Garg

Chief Financial Officer

To the Members of SORIL Holdings and Ventures Limited

(Formerly Known as Indiabulls Wholesale Services Limited)

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **SORIL Holdings and Ventures Limited** *(Formerly Known as Indiabulls Wholesale Services Limited)* ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 the 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 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 financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 financial statements.

We believe that the audit evidence we have 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 financial position of the Company as at March 31, 2018, and its financial performance including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Other Matter

The Company had prepared separate sets of statutory financial statements for the year ended March 31, 2017, and March 31, 2016, in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued auditor's reports dated May 26, 2017, and May 06, 2016, respectively to the shareholders of the Company. These financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

Independent Auditor's Report (contd.)

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required under provisions of Section 143(3) of the Act, based on our audit we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of changes in Equity and the Statement of Cash Flows 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 Indian Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 B'. Our report expresses 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. As detailed in Note - 38 to the standalone financial statements, the Company has disclosed the impact of pending litigations on its financial position.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number : 005975N

Vikas Aggarwal

Partner

Membership No.: 097848

Gurugram
02 May, 2018

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of SORIL Holdings and Ventures Limited (Formerly Known as Indiabulls Wholesale Services Limited) of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- i)
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
 - c. The Company does not hold any immovable properties (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act, and with respect to the same:
 - a. In our opinion, the terms and conditions of the grant are not prejudicial to the company's interest.
 - b. In our opinion, the schedule of repayment of principal amount and payment of interest has been stipulated and the repayment of principal amount and receipt of interest are regular.
 - c. There is no overdue amount in respect of loans granted to such companies, with regard to principal amount and interests.
- iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees, and security.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) In respect of Statutory dues :
 - a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2018 for a period of more than six months from the date of becoming payable.
 - b. According to the information and explanations given to us, there are no dues in respect of Income Tax or Sales Tax or Service Tax or Duty of Customs or Duty of Excise or Value Added Tax have not been deposited with the appropriate authorities on account of any dispute except for the amounts mentioned below:

Name of the Statute	Demand Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	24,84,323	Assessment Year 2010-11	ITAT
Income Tax Act, 1961	48,48,840	Assessment Year 2014-15	CIT(A)

- viii) In our opinion, the Company has not defaulted in repayment of loans or borrowings to any bank during the year. Further, the Company has no loans or borrowings payable to a financial institution or government and no dues payable to debenture-holders during the year.

- ix) As explained to us, no money raised by way of initial public offer or further public offer (including debt instruments) during the year. The Company has not obtained any term loans during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or its employees was noticed or reported during the year.
- xi) In our opinion, the provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the Company as the Company does not pay/provide for any managerial remuneration. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.
- xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii) According to the information and explanations given to us, all the transactions with the related parties are in compliance with Sections 177 & 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by applicable accounting standards.
- xiv) During the year, the Company has made preferential allotment of equity shares (conversion of share warrants issued into equity shares). In respect of the same, in our opinion, the Company has complied with the requirement of section 42 of the Act and the amount raised have been used for the purpose for which the funds were raised.
- xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number : 005975N

Vikas Aggarwal

Partner

Membership No.: 097848

Gurugram
02 May, 2018

Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of SORIL Holdings and Ventures Limited (*Formerly Known as Indiabulls Wholesale Services Limited*) 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 **SORIL Holdings and Ventures Limited** (*Formerly Known as Indiabulls Wholesale Services Limited*) ("the Company") as of March 31, 2018 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 Board of Directors of the Company 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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.

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 B to the Auditor's Report (contd.)

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, 2018, 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 Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number :005975N

Gurugram
02 May, 2018

Vikas Aggarwal

Partner

Membership No.: 097848

Balance Sheet

as at March 31, 2018

(All Amounts in ₹ thousands, unless otherwise stated)

	Note	March 31, 2018	March 31, 2017	April 01, 2016
I ASSETS				
Non-current assets				
(a) Property, plant and equipment	6A	1,845.00	2,357.37	1,461.64
(b) Other intangible assets	6B	-	-	-
(c) Financial assets				
Investments	7A	3,210,715.88	2,100,715.88	2,100,715.88
Loans	8A	2,718.17	2,718.17	3,726,144.95
(d) Deferred tax assets, net	9	3,806.74	15,035.90	124,422.88
(e) Non-current tax assets, net	10	1,627.93	4,335.26	3,683.54
		3,220,713.72	2,125,162.58	5,956,428.89
Current assets				
(a) Inventories	11	3,019.89	6,118.41	47,659.22
(b) Financial Assets				
Investments	7B	3,037,464.67	2,041,960.00	2,041,960.00
Trade receivables	12	17,918.10	11,302.69	19,622.63
Cash and cash equivalents	13	6,589.80	1,944.91	29,042.52
Loans	8B	3,685,838.10	4,187,548.83	100,300.00
Other financial assets	14	4,301.77	-	124.13
(c) Other current assets	15	6,065.43	8,349.03	5,821.79
		6,761,197.76	6,257,223.87	2,244,530.29
Total of Assets		9,981,911.48	8,382,386.45	8,200,959.18
II EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	16	109,636.99	101,436.99	101,436.99
(b) Other equity	17	7,299,524.16	5,708,585.12	5,521,711.64
		7,409,161.15	5,810,022.11	5,623,148.63
Liabilities				
Non-current liabilities				
(a) Provisions	18A	1,116.12	852.49	599.50
		1,116.12	852.49	599.50
Current liabilities				
(a) Financial liabilities				
Borrowings	19	2,517,700.00	2,517,700.00	2,517,700.00
Trade payables	20	3,689.16	22,062.67	1,786.01
Other financial liabilities	21	5,646.04	2,483.55	14,849.48
(b) Other current liabilities	22	28,766.46	29,240.32	40,128.28
(c) Provisions	18B	27.61	25.31	2,747.28
(d) Current tax liabilities, net	23	15,804.94	-	-
		2,571,634.21	2,571,511.85	2,577,211.05
Total of Equity and Liabilities		9,981,911.48	8,382,386.45	8,200,959.18
Summary of significant accounting policies 5				
The accompanying notes form an integral part of the financial statements				

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

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number: 005975N

Vikas Aggarwal

Partner

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

Ajit Kumar Mittal

Director

[DIN: 02698115]

Place: Gurugram

Date: 02 May, 2018

Priya Jain

Company Secretary

Saurabh Garg

Chief Financial Officer

Statement of Profit and Loss

for the year ended March 31, 2018

(All Amounts in ₹ thousands, unless otherwise stated)

	Note	Year ended March 31,			
		2018		2017	
Revenue					
Revenue from operations	24		11,018.82		58,414.63
Other income	25		114,460.35		322,909.67
Total Income			125,479.17		381,324.30
Expenses					
Cost of revenue	26				
Cost of materials consumed		-		25,753.20	
Changes in inventories of finished goods		3,098.52	3,098.52	41,540.81	67,294.01
Employee benefits expense	27		21,582.56		5,280.94
Finance costs	28		15,077.31		11.80
Depreciation and amortisation expense	6		893.52		361.59
Other expenses	29		12,508.29		12,440.83
Total Expenses			53,160.20		85,389.17
Profit before tax			72,318.97		295,935.13
Tax expense	30				
Current tax (including earlier years)			38,295.04		(51.48)
Less: minimum alternative tax credit entitlement (including earlier years)			(3,806.74)		-
Deferred tax charge/(credit)			15,035.90		109,386.98
Profit after tax			22,794.77		186,599.63
Other comprehensive income					
(i) Items that will not be reclassified to profit or loss					
Re-measurement (loss)/gain on defined benefits plans			(100.86)		(88.90)
Total other comprehensive income net of tax			(100.86)		(88.90)
Total Comprehensive Income for the year			22,693.91		186,510.73
Earnings per equity share	31				
Basic (₹)			0.45		3.68
Diluted (₹)			0.42		3.68
Summary of significant accounting policies	5				
The accompanying notes form an integral part of the financial statements					

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

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number: 005975N

Vikas Aggarwal

Partner

Place: Gurugram

Date: 02 May, 2018

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

Priya Jain

Company Secretary

Ajit Kumar Mittal

Director

[DIN: 02698115]

Saurabh Garg

Chief Financial Officer

Statement of Cash Flows

for the year ended March 31, 2018



(All Amounts in ₹ thousands, unless otherwise stated)

		Year ended March 31,	
		2018	2017
A.	Cash flow from operating activities:		
	Profit before income tax for the year	72,318.97	295,935.13
	Adjustments to reconcile net profit to net cash provided by operating activities:		
	Depreciation and amortisation expense	893.52	361.59
	Interest income	(40,484.27)	(320,234.67)
	Dividend income	(1,781.85)	(1,925.70)
	Loss/(Profit) on sale/written off of property, plant and equipment	32.37	(42.20)
	(Profit) on sale of Investments	(71,568.56)	(209.31)
	Provision for gratuity and compensated absences	165.07	169.36
	Share based payment expense	15,545.13	-
	Operating profit before working capital changes	(24,879.62)	(25,945.80)
	Changes in operating assets and liabilities		
	(Increase)/decrease in trade receivables	(6,615.41)	8,319.94
	Decrease/(Increase) in loans and advances	120.00	(2,624.12)
	(Increase)/decrease in other financial assets	(4,301.77)	124.13
	Decrease/(Increase) in other current assets	2,283.60	(2,527.24)
	Decrease in inventories	3,098.52	41,540.81
	(Decrease)/Increase in trade payables	(18,373.51)	20,276.66
	Increase/(decrease) in other financial liabilities	3,162.49	(12,365.94)
	(Decrease)/Increase in other current liabilities	(473.86)	(10,887.96)
	Cash generated from/(used in) operating activities	(45,979.56)	15,910.48
	Income tax (paid)/refund received, net	(19,782.78)	(600.24)
	Net cash from/(used in) operating activities	(65,762.34)	15,310.24
B.	Cash flow from investing activities:		
	Purchase of property, plant and equipment	(12,304.39)	(1,257.32)
	Proceeds from sale of property, plant and equipment	11,890.88	42.20
	Investment in equity shares of subsidiaries	(1,110,000.00)	-
	Investment in mutual funds (net)	(923,936.11)	209.31
	Inter-corporate loans given	(2,928,005.27)	(247,530.00)
	Inter-corporate loans received back	3,470,080.27	204,345.54
	Interest received on inter-corporate loans given	-	2,221.20
	Dividend income received	1,781.85	1,925.70
	Net cash generated from/(used in) investing activities	(1,490,492.77)	(40,043.37)

Statement of Cash Flows

for the year ended March 31, 2018 (Contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

		Year ended March 31,	
		2018	2017
C.	Cash flow from financing activities:		
	<i>(Refer note-43)</i>		
	Proceeds from issue of share warrants	1,155,000.00	-
	Proceeds from conversion of warrants into equity shares	405,900.00	-
	Dividends paid on preference share capital, including tax	-	(2,364.48)
	Net cash generated from/(used in) financing activities	1,560,900.00	(2,364.48)
D.	Increase/(decrease) in cash and cash equivalents, net (A+B+C)	4,644.89	(27,097.61)
E.	Cash and cash equivalents at the beginning of the year	1,944.91	29,042.52
F.	Cash and cash equivalents at the end of the year (D+E)	6,589.80	1,944.91
G.	Reconciliation of cash and cash equivalents as per cash flow statement		
	Cash and cash equivalents includes		
	Cash on hand	-	3.15
	Balances with banks		
	In current accounts	6,442.33	1,794.21
	In unclaimed dividend account	147.47	147.55
		6,589.80	1,944.91

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

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

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number: 005975N

Vikas Aggarwal

Partner

Place: Gurugram

Date: 02 May, 2018

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

Priya Jain

Company Secretary

Ajit Kumar Mittal

Director

[DIN: 02698115]

Saurabh Garg

Chief Financial Officer

Statement of Changes in Equity

as at March 31, 2018



(All Amounts in ₹ thousands, unless otherwise stated)

(A) Equity share capital*

Particulars	Opening balance as at 1 April 2016	Issue of equity share capital during the year	Balance as at 31 March 2017	Issue of equity share capital during the year	Balance as at 31 March 2018
Equity share capital	101,436.99	-	101,436.99	8,200.00	109,636.99

(B) Other equity**

Particulars	Reserves and surplus					Other Com- prehensive Income	Share warrant Money	Total
	General reserve	Capital reserve	Deferred employee compensation reserve	Securities Premium Reserve	Retained earnings			
Balance as at 1 April 2016	5,014,971.52	94,248.70	-	2,937.19	409,554.23	-	-	5,521,711.64
Profit for the year	-	-	-	-	186,599.63	-	-	186,599.63
Corporate dividend tax	-	-	-	-	362.75	-	-	362.75
Other comprehensive income	-	-	-	-	(88.90)	-	-	(88.90)
Balance as at 31 March 2017	5,014,971.52	94,248.70	-	2,937.19	596,427.71	-	-	5,708,585.12
Profit for the year	-	-	-	-	22,794.77	-	-	22,794.77
Other comprehensive income	-	-	-	-	(100.86)	-	-	(100.86)
Deferred Employee Compensation expense	-	-	15,545.13	-	-	-	-	15,545.13
Receipts of share warrants money	-	-	-	-	-	-	1,019,700.00	1,019,700.00
Issue of equity shares (conversion of share warrants)	-	-	-	533,000.00	-	-	-	533,000.00
Balance as at 31 March 2018	5,014,971.52	94,248.70	15,545.13	535,937.19	619,121.62	-	1,019,700.00	7,299,524.16

* Refer Note-16

** Refer Note-17

The accompanying notes are integral part of the financial statements

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

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number: 005975N

Vikas Aggarwal

Partner

Place: Gurugram

Date: 02 May, 2018

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

Priya Jain

Company Secretary

Ajit Kumar Mittal

Director

[DIN: 02698115]

Saurabh Garg

Chief Financial Officer

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018

(All Amounts in ₹ thousands, unless otherwise stated)

1. NATURE OF PRINCIPAL ACTIVITIES

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

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

The company is domiciled in India and its registered office is situated at M-62 and 63, First Floor, Connaught Place, New Delhi – 110001.

2. GENERAL INFORMATION & STATEMENT OF COMPLIANCE WITH IND AS

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 (‘the Act’) (to the extent notified) and guidelines issued by Securities Exchange Board of India (SEBI), read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs (‘MCA’)) and relevant amendments rules issued thereafter. The Company has uniformly applied the accounting policies during the periods presented.

For all periods up to and including the year ended 31 March 2017, the Company has prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). These financial statements for the year ended 31 March 2018 are the first which the Company has prepared in accordance with Ind AS. For the purpose of comparatives, financial statements for the year ended 31 March 2017 and opening balance sheet as at 1 April 2016 are also prepared under Ind AS.

The financial statements for the year ended 31 March 2018 were authorized and approved for issue by the Board of Directors on 02 May 2018.

3. BASIS OF PREPARATION

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

4. RECENT ACCOUNTING PRONOUNCEMENT

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying amendments to Ind AS 12, ‘Income taxes’, Ind AS 21, ‘The effects of changes in foreign exchange rates’ and also introduced new revenue recognition standard Ind AS 115 ‘Revenue from contracts with customers’. These amendments rules are applicable to the Company from 1 April, 2018.

Ind AS 115 ‘Revenue from Contracts with Customers’ (Ind AS 115)

Ministry of Corporate Affairs (‘MCA’) has notified new standard for revenue recognition which overhauls the existing revenue recognition standards including Ind AS 18 – Revenue and Ind AS 11 – Construction contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

1. Identification of the contracts with the customer
2. Identification of the performance obligations in the contract
3. Determination of the transaction price
4. Allocation of transaction price to the performance obligations in the contract (as identified in step 2)
5. Recognition of revenue when performance obligation is satisfied.

(All Amounts in ₹ thousands, unless otherwise stated)

Amendment to Ind AS 12

The amendment to Ind AS 12 requires the entities to consider restriction in tax laws in sources of taxable profit against which entity may make deductions on reversal of deductible temporary difference (may or may not have arisen from same source) and also consider probable future taxable profit. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

Amendment to Ind AS 21

The amendment to Ind AS 21 requires the entities to consider exchange rate on the date of initial recognition of advance consideration (asset/liability), for recognizing related expense/income on the settlement of said asset/liability. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared using the significant accounting policies and measurement basis summarized below. These were used throughout all periods presented in the financial statements, except where the company has applied certain accounting policies and exemptions upon transition to Ind AS.

a) Current versus non-current classification

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

b) Property, plant and equipment (PPE)

Recognition and initial measurement

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

Subsequent measurement (depreciation and useful lives)

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

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

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

De-recognition

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

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

c) Intangible assets

Recognition and initial measurement

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

Subsequent measurement (amortization)

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

d) Inventories

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

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

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

e) Revenue recognition

Revenue is recognized when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of the revenue transaction as set out below.

Revenue from real estate projects

Revenue from real estate development projects is recognized on the percentage of completion method. Revenue is recognized in the financial year in which the agreement to sell or application forms (containing salient terms of agreement to sell) is executed, on the percentage of completion method which is applied on a cumulative basis in each accounting year to the current estimate of contract revenue and related project costs, once the conditions specified in 'Guidance Note on Accounting for Real Estate Transactions' are satisfied.

The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

Revenue from sale of land plots

Revenue from sale of developed land and plots is recognized in the year in which the underlying sale deed is executed and there exist no uncertainty in the collection of consideration from buyers. Where there is any remaining substantial obligations as per agreements, revenue is recognized on 'percentage of completion method' as per (a) (i) above.

Interest income

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

Dividend income

Dividend income is recognized at the time when right to receive the payment is established, which is generally when the shareholders of the investee party approve the dividend.

(All Amounts in ₹ thousands, unless otherwise stated)

Service revenue

Income from real estate projects advisory services is recognized on accrual basis. Marketing and lease management income are accounted for when the underlying contracts are duly executed, on accrual basis when the services are completed, except in cases where ultimate collection is considered doubtful.

Income from sale of investment

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

f) Operating leases

Company is lessee

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to statement of profit and loss on straight line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

g) Borrowing costs

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

h) Impairment of non-financial assets

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

i) Foreign currency

Functional and presentation currency

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

Transactions and balances

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

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

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

j) Investments

Investment in equity instruments of subsidiaries are stated at cost as per Ind AS 27 'Separate Financial Statements'.

(All Amounts in ₹ thousands, unless otherwise stated)

k) Financial instruments

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

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

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

De-recognition of financial assets

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

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

Subsequent measurement – Amortized cost

Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

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

(All Amounts in ₹ thousands, unless otherwise stated)

l) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

The Company applies approach permitted by Ind AS 109, which requires lifetime expected credit losses to be recognized for trade receivables.

Other financial assets

For recognition of impairment loss on other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

m) Income taxes

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

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum alternative tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

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

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

n) Cash and cash equivalents

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

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

o) Employee benefits

Defined contribution plan

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

Defined benefit plan

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

Other long term employee benefits

The Company also provides benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

Short-term employee benefits

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

p) Share based payments

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

Transition to Ind AS

On transition to Ind AS, the company has elected to not consider the charge related to employee stock options for which the vesting period is already over.

q) Provisions, contingent liabilities and contingent assets

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

Contingent liability is disclosed for:

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

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

(All Amounts in ₹ thousands, unless otherwise stated)

r) Earnings per equity share

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

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

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

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

Significant management's judgments

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

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

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

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

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

Significant estimates

Revenue and inventories – The Company recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which further require assessments and judgments to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available contractual and historical information.

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

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

TANGIBLE ASSETS

NOTE – 6A

PROPERTY, PLANT AND EQUIPMENT

	Building	Plant & Machinery	Office Equipment	Computers	Furniture and Fixtures	Vehicles	Total
Gross carrying amount							
Balance as at 1 April 2016	212.75	357.96	2,754.32	9,159.74	588.38	5,962.79	19,035.94
Additions	-	-	109.63	32.69	-	1,115.00	1,257.32
Disposals/assets written off	-	-	-	2.35	85.04	-	87.39
Balance as at 31 March 2017	212.75	357.96	2,863.95	9,190.08	503.34	7,077.79	20,205.87
Additions	-	12,304.39	-	-	-	-	12,304.39
Disposals/assets written off	212.75	12,313.34	2,723.32	2,984.99	360.64	-	18,595.04
Balance as at 31 March 2018	-	349.01	140.63	6,205.09	142.70	7,077.79	13,915.22
Accumulated depreciation							
Balance as at 1 April 2016	212.75	126.58	2,731.00	9,140.51	392.38	4,971.08	17,574.30
Charge for the year	-	34.80	11.48	28.66	45.33	241.32	361.59
Adjustments for disposals	-	-	-	2.35	85.04	-	87.39
Balance as at 31 March 2017	212.75	161.38	2,742.48	9,166.82	352.67	5,212.40	17,848.50
Charge for the year	-	448.31	26.93	10.90	35.09	372.29	893.52
Adjustments for disposals	212.75	417.82	2,723.32	2,984.99	332.92	-	6,671.80
Balance as at 31 March 2018	-	191.87	46.09	6,192.73	54.84	5,584.69	12,070.22
Net carrying value as at 01 April 2016	-	231.38	23.32	19.23	196.00	991.71	1,461.64
Net carrying value as at 31 March 2017	-	196.58	121.47	23.26	150.67	1,865.39	2,357.37
Net carrying value as at 31 March 2018	-	157.14	94.54	12.36	87.86	1,493.10	1,845.00

(i) Contractual obligations

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

(All Amounts in ₹ thousands, unless otherwise stated)

NOTE – 6B

OTHER INTANGIBLE ASSETS

	Software	Total
Gross carrying amount		
Balance as at 1 April 2016	43,972.89	43,972.89
Additions	-	-
Balance as at 31 March 2017	43,972.89	43,972.89
Additions	-	-
Balance as at 31 March 2018	43,972.89	43,972.89
Accumulated depreciation		
Balance as at 1 April 2016	43,972.89	43,972.89
Charge for the year	-	-
Balance as at 31 March 2017	43,972.89	43,972.89
Charge for the year	-	-
Balance as at 31 March 2018	43,972.89	43,972.89
Net carrying value as at 01 April 2016	-	-
Net carrying value as at 31 March 2017	-	-
Net carrying value as at 31 March 2018	-	-

(i) Contractual obligations

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

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

NOTE – 7

		March 31, 2018		March 31, 2017		April 01, 2016	
		Number	(₹ in thousands)	Number	(₹ in thousands)	Number	(₹ in thousands)
A	Investments - non-current*						
(i)	Investment in equity shares						
(a)	Unquoted						
	Subsidiaries (Fully paid up)**						
	Lucina Infrastructure Limited	50,000	23,327.46	50,000	23,327.46	50,000	23,327.46
	Sentia Properties Limited	50,000	370,299.08	50,000	370,299.08	50,000	370,299.08
	Albasta Wholesale Services Limited	100,050,000	1,000,695.39	100,050,000	1,000,695.39	100,050,000	1,000,695.39
	Mahabala Infracon Private Limited	50,000	500.00	50,000	500.00	50,000	500.00
	Ashva Stud and Agricultural Farms Limited	50,000	500.00	50,000	500.00	50,000	500.00
	Airmid Aviation Services Limited	-	50,154.06	-	50,154.06	-	50,154.06
	Indiabulls General Insurance Limited	1,000,000	10,000.00	-	-	-	-
	Indiabulls Life Insurance Company Limited	110,000,000	1,100,000.00	-	-	-	-
			2,555,475.99		1,445,475.99		1,445,475.99
(b)	Quoted						
	Subsidiaries (Fully paid up)**						
	SORIL Infra Resources Limited	20,383,310	655,239.89	20,383,310	655,239.89	20,383,310	655,239.89
			655,239.89		655,239.89		655,239.89
			3,210,715.88		2,100,715.88		2,100,715.88
	Aggregate book value of unquoted investments		2,555,475.99		1,445,475.99		1,445,475.99
	Aggregate book value of quoted investments		655,239.89		655,239.89		655,239.89

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

** Face value of ₹ 10/- each unless otherwise stated

(All Amounts in ₹ thousands, unless otherwise stated)

		March 31, 2018		March 31, 2017		April 01, 2016	
		Number	(₹ in thousands)	Number	(₹ in thousands)	Number	(₹ in thousands)
B	Investments - current						
(i)	Investment in preference shares						
	Unquoted**						
	Subsidiaries (fully paid up)						
	Albasta Wholesale Services Limited	30,000,000	300,000.00	30,000,000	300,000.00	30,000,000	300,000.00
	Store One Retail India Limited	19,795,000	1,741,960.00	19,795,000	1,741,960.00	19,795,000	1,741,960.00
(ii)	Investment in mutual funds (quoted)						
	Indiabulls Liquid Fund - Direct Plan - Growth		995,504.67		-		-
	[5,86,195.14 (31-March-2017: nil; 01-April-2016:nil) units, NAV: ₹ 1698.25 (31-March-2017: nil; 01-April-2016:nil) per unit]						
			3,037,464.67		2,041,960.00		2,041,960.00
			6,248,180.55		4,142,675.88		4,142,675.88
	Aggregate book value of unquoted investments		2,041,960.00		2,041,960.00		2,041,960.00
	Aggregate book value of quoted investments		995,504.67		-		-

** Face value of ₹10/- each unless otherwise stated

NOTE – 8

		March 31, 2018	March 31, 2017	March 31, 2016
A	Loans - Non-Current (Unsecured, considered good)			
	Security deposits	2,718.17	2,718.17	214.05
	Inter-corporate loans to related parties	-	-	3,725,930.90
		2,718.17	2,718.17	3,726,144.95
B	Loans - Current (Unsecured, considered good)			
	Security deposits	-	120.00	-
	Inter-corporate loans to related parties	3,685,838.10	4,187,428.83	100,300.00
		3,685,838.10	4,187,548.83	100,300.00

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

NOTE – 9

DEFERRED TAX ASSETS, NET

	March 31, 2018	March 31, 2017	March 31, 2016
Deferred tax asset arising on account of:			
Depreciation and amortisation	-	721.31	139.86
Provision of employee benefits	-	303.79	214.12
Effective interest on long term loans and advances	-	14,010.80	124,068.90
Minimum alternative tax credit entitlement	3,806.74	-	-
	3,806.74	15,035.90	124,422.88

Caption wise movement in deferred tax assets as follows:

Particulars	April 01, 2016	Recognised/ (Reversed) in Other Comprehensive Income	Recognised/ (Reversed) in profit and loss	March 31, 2017
Assets				
Depreciation and amortisation	139.86	-	581.46	721.31
Provision of employee benefits	214.12	-	89.67	303.79
Effective interest on long term loans and advances	124,068.90	-	(110,058.11)	14,010.80
Sub-Total	124,422.88	-	(109,386.98)	15,035.90
Minimum alternative tax credit entitlement	-	-	-	-
Total	124,422.88	-	(109,386.98)	15,035.90

Caption wise movement in deferred tax assets as follows:

Particulars	March 31, 2017	Recognised/ (Reversed) in Other Comprehensive Income	Recognised/ (Reversed) in profit and loss	March 31, 2018
Assets				
Depreciation and amortisation	721.31	-	(721.31)	-
Provision of employee benefits	303.79	-	(303.79)	-
Effective interest on long term loans and advances	14,010.80	-	(14,010.80)	-
Sub-Total	15,035.90	-	(15,035.90)	-
Minimum alternative tax credit entitlement	-	-	3,806.74	3,806.74
Total	15,035.90	-	(11,229.16)	3,806.74

The company has restricted the recognition of deferred tax asset on unabsorbed losses ₹ 447.06 thousands (31-March-2017: ₹ 23,140.9 thousands, 01-April-2016: ₹ Nil), depreciation and amortisation and provision of employee benefits to the extent there is convincing evidence which demonstrate probability of realisation of deferred tax asset in near future.

(All Amounts in ₹ thousands, unless otherwise stated)

NOTE – 10

NON-CURRENT TAX ASSETS (NET)

	March 31, 2018	March 31, 2017	March 31, 2016
Advance income tax, including tax deducted at source	1,627.93	4,335.26	3,683.54
	1,627.93	4,335.26	3,683.54

The income tax department, during the year ended 31 March 2017, searched some of the premises of the company in pursuance to the action against other persons. In the process, it seized duly accounted cash-in-hand of the company as well. The company is taking all reasonable steps to recoup the cash so seized and has disclosed the same under Non-Current Tax Assets.

NOTE – 11

INVENTORIES

	March 31, 2018	March 31, 2017	March 31, 2016
Real estate project under development (at cost)			
Land	585,078.20	585,078.20	585,078.20
License and other regulatory fees	25,112.97	25,112.97	25,099.29
Cost of materials, construction cost and other overheads	1,148,258.77	1,148,258.77	1,122,519.25
	1,758,449.94	1,758,449.94	1,732,696.74
Less: cost of revenue recognized till date	1,755,430.05	1,752,331.53	1,685,037.52
	3,019.89	6,118.41	47,659.22

NOTE – 12

TRADE RECEIVABLES

	March 31, 2018	March 31, 2017	March 31, 2016
Unsecured, considered good			
Trade receivables	17,837.51	11,222.10	19,539.84
Unbilled receivables	80.59	80.59	82.79
	17,918.10	11,302.69	19,622.63

NOTE – 13

CASH AND CASH EQUIVALENTS

	March 31, 2018	March 31, 2017	March 31, 2016
Cash on hand	-	3.15	65.11
Balances with banks			
In current accounts	6,442.33	1,794.21	28,829.73
In unclaimed dividend account*	147.47	147.55	147.68
	6,589.80	1,944.91	29,042.52

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

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

NOTE – 14

OTHER FINANCIAL ASSETS - CURRENT

	March 31, 2018	March 31, 2017	March 31, 2016
Unsecured, considered good			
Other advances	4,301.77	-	124.13
	4,301.77	-	124.13

NOTE – 15

OTHER CURRENT ASSETS

	March 31, 2018	March 31, 2017	March 31, 2016
Unsecured, considered good			
Advance to staff	83.34	3,237.51	3,513.30
Advance to suppliers/service providers	378.50	155.35	156.95
Balances with statutory and government authorities	5,603.59	4,956.17	2,151.54
	6,065.43	8,349.03	5,821.79

NOTE – 16

A	Equity share capital	March 31, 2018		March 31, 2017		April 01, 2016	
i	Authorised	Number	(₹ in thousands)	Number	(₹ in thousands)	Number	(₹ in thousands)
	Equity shares of face value of ₹ 2 each	400,000,000	800,000.00	400,000,000	800,000.00	400,000,000	800,000.00
		400,000,000	800,000.00	400,000,000	800,000.00	400,000,000	800,000.00
ii	Issued, subscribed and fully paid up						
	Equity share capital of face value of ₹ 2 each fully paid up	54,818,493	109,636.99	50,718,493	101,436.99	50,718,493	101,436.99
		54,818,493	109,636.99	50,718,493	101,436.99	50,718,493	101,436.99
iii	Reconciliation of number and amount of equity shares outstanding at the beginning and at the end of the year						
	Equity shares						
	Balance at the beginning of the year	50,718,493	101,436.99	50,718,493	101,436.99	50,718,493	101,436.99
	Add: Issued during the year	4,100,000	8,200.00	-	-	-	-
	Balance at the end of the year	54,818,493	109,636.99	50,718,493	101,436.99	50,718,493	101,436.99

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

(All Amounts in ₹ thousands, unless otherwise stated)

v Rights, preferences and restrictions attached to equity shares

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company, the remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

vi Details of shareholder holding more than 5% share capital

	March 31, 2018	March 31, 2017	April 01, 2016
Name of the equity shareholder	Number of shares	Number of shares	Number of shares
Jyeshta Infrastructure Private Limited	8,330,412	8,330,412	8,330,412
Kritikka Infrastructure Private Limited	8,553,576	6,965,763	6,965,763

B Preference share capital

		March 31, 2018		March 31, 2017		April 01, 2016	
i	Authorised	Number	(₹ in thousands)	Number	(₹ in thousands)	Number	(₹ in thousands)
	Preference shares of face value of ₹10 each	30,000,000	300,000.00	30,000,000	300,000.00	30,000,000	300,000.00
		30,000,000	300,000.00	30,000,000	300,000.00	30,000,000	300,000.00

ii	Name of the preference shareholder	Number of shares	Number of shares	Number of shares
	Indiabulls Real Estate Limited	2,517,700	2,517,700	2,517,700

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

NOTE – 17

(i) Nature and purpose of other reserves

Securities premium reserve

Security premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013

Deferred employee compensation reserve

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

Capital reserve

The Company has issued share warrants in the earlier years. This reserve is created on account of forfeiture of share application money received on account of issuance of share warrants as share warrants holders did not exercise their rights.

General reserve

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

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

NOTE – 18

		March 31, 2018	March 31, 2017	April 01, 2016
A	Provisions			
	Non-current			
	Provision for employee benefits:			
	Gratuity	929.91	643.41	434.94
	Compensated absences	186.21	209.08	164.56
		1,116.12	852.49	599.50
B	Provisions - current			
	Provision for employee benefits:			
	Gratuity	22.33	19.07	15.00
	Compensated absences	5.28	6.24	5.06
	Corporate dividend tax on dividend on equity shares	-	-	461.29
	Dividend on preference shares	-	-	2,265.93
		27.61	25.31	2,747.28

NOTE – 19

BORROWINGS-CURRENT

	March 31, 2018	March 31, 2017	April 01, 2016
Unsecured borrowings:			
Preference Shares			
9% Redeemable non -cumulative, non-convertible preference share of face value of ₹ 10 each	2,517,700.00	2,517,700.00	2,517,700.00
	2,517,700.00	2,517,700.00	2,517,700.00

NOTE - 20

TRADE PAYABLES - CURRENT

	March 31, 2018	March 31, 2017	April 01, 2016
Due to micro and small enterprises*	-	-	-
Due to others	2,774.78	21,172.64	994.45
Retention Money	914.38	890.03	791.56
	3,689.16	22,062.67	1,786.01

(All Amounts in ₹ thousands, unless otherwise stated)

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):	31-Mar-18	31-Mar-17	1-Apr-16
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil	Nil	Nil
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil	Nil
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil	Nil
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTE – 21

OTHER FINANCIAL LIABILITIES - CURRENT

	March 31, 2018	March 31, 2017	April 01, 2016
Expenses payable to			
Related parties	141.36	-	-
Others	5,222.21	2,201.00	2,450.94
Security deposits	135.00	135.00	12,250.86
Unpaid dividend on equity shares*	147.47	147.55	147.68
	5,646.04	2,483.55	14,849.48

* In respect of amount as mentioned under section 125 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as at March 31, 2018.

NOTE – 22

OTHER CURRENT LIABILITIES

	March 31, 2018	March 31, 2017	April 01, 2016
Payable to statutory authorities	1,085.05	100.96	283.66
Advance from customers	27,681.41	29,139.36	39,844.62
	28,766.46	29,240.32	40,128.28

NOTE - 23

CURRENT TAX LIABILITIES, NET

	March 31, 2018	March 31, 2017	April 01, 2016
Provision for income tax	15,804.94	-	-
	15,804.94	-	-

A search was conducted by the competent authority under section 132(1) of the Income Tax Act, 1961 ('the Act') at premises of the Company in the previous year ended 31 March 2017. Pursuant to the search, the Assessing Officer has issued notices under relevant sections of the Act to the Company for some of the earlier financial years. Consequently, in order to avoid protracted tax litigation, the Company has filed application under Section 245C (1) of the Act before the Hon'ble Income Tax Settlement Commission ('ITSC') on 03 October 2017 and accordingly deposited ₹ 22,490.10 thousands as tax and ₹ 12,509.90 thousands as interest towards the proposed settlement which has been provided for in the books of accounts. The said application has since been admitted by ITSC vide its Order dated 10 October 2017 passed u/s 245D (1) of the Act and allowed to be proceeded with vide Order dated 4 December 2017 passed u/s 245D (2C) of the Act. The matter is now pending before the Hon'ble ITSC for final determination.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

NOTE – 24

REVENUE FROM OPERATIONS

	March 31, 2018	March 31, 2017
Revenue from real estate project under development	3,619.97	55,409.64
Other operating income		
Interest income	105.73	805.11
Service receipts	-	999.89
Income from advisory services	-	1,200.00
Others	7,293.12	-
	11,018.82	58,414.64

NOTE – 25

OTHER INCOME

	March 31, 2018	March 31, 2017
Dividend Income	1,781.85	1,925.70
Interest Income	40,616.06	320,234.68
Profit on sale of investments	71,568.56	209.31
Miscellaneous income	493.88	497.78
Profit on sale of property, plant and equipment	-	42.20
	114,460.35	322,909.67

NOTE – 26

COST OF REVENUE

	March 31, 2018	March 31, 2017
Cost incurred during the year	-	25,753.20
(Increase)/decrease in inventory of finished goods		
Opening stock	6,118.41	47,659.22
Closing stock	(3,019.89)	(6,118.41)
	3,098.52	67,294.01

NOTE – 27

EMPLOYEE BENEFITS EXPENSE

	March 31, 2018	March 31, 2017
Salaries and wages	5,543.76	5,003.30
Gratuity and compensated absences	165.07	169.36
Contribution to provident fund	27.61	6.15
Staff welfare expenses	300.99	102.14
Share based payment expense (refer note 42)	15,545.13	-
	21,582.56	5,280.95

NOTE – 28

FINANCE COSTS

	March 31, 2018	March 31, 2017
Interest expenses on income tax	15,077.31	11.80
	15,077.31	11.80

(All Amounts in ₹ thousands, unless otherwise stated)

NOTE – 29

OTHER EXPENSES

	March 31, 2018	March 31, 2017
Advertisement expenses	249.02	255.16
Auditor's remuneration *		
Audit fee	2,000.00	2,010.00
Director sitting fees	150.00	-
Bank charges	4.05	3.90
Communication expenses	712.40	825.56
Corporate Social Responsibility Expenses	80.00	730.00
Power and fuel expenses	2.73	7.82
Legal and professional charges	971.86	813.01
Printing and stationery	506.76	1,085.36
Rates and taxes	2,555.90	1,237.06
Loss on written off of property plant and equipment	32.37	-
Repairs and maintenance		
Vehicles	179.24	80.67
Others	224.24	65.39
Brokerage and marketing expenses	82.27	4,323.34
Security Expenses	165.30	475.80
Subscription fee	50.00	-
Traveling and conveyance expenses	10.24	245.31
Customer incentive and other charges	-	234.45
Miscellaneous expenses	4,531.91	48.00
	12,508.29	12,440.83

* Inclusive of Swachh Bharat Cess

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

NOTE - 30 INCOME TAX

	March 31, 2018	March 31, 2017
Tax expense comprises of:		
Current tax (including earlier years)	38,295.04	(51.48)
Less: Minimum alternative tax credit entitlement (including earlier years)	(3,806.74)	-
Deferred tax charge	15,035.90	109,386.98
Income tax expense reported in the statement of profit and loss	49,524.20	109,335.50

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 27.553% (31 March 2017: 34.608%) and the reported tax expense in statement of profit and loss are as follows:

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

	March 31, 2018	March 31, 2017
Accounting profit before income tax	72,318.97	295,935.13
At statutory income tax rate of 27.553% (31 March 2017: 34.608%)	19,925.69	102,417.23
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact of exempted income	(12,197.71)	(110,058.10)
Tax impact of earlier year items	22,490.10	(51.48)
Tax impact of expenses which will never be allowed	4,454.76	-
Deferred tax impact on income taxable at the time of its realisation	15,035.90	109,386.98
Others	(184.53)	7,640.87
Income tax expense	49,524.21	109,335.50

NOTE - 31 EARNINGS PER SHARE (EPS)

The Company's Earnings per Share ("EPS") is determined based on the net profit attributable to the shareholders of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

The following reflects the income and share data used in the basic and diluted EPS computation

	March 31, 2018	March 31, 2017
Profit attributable to equity holders	22,794.77	186,599.63
Weighted average number of equity shares for basic earnings per share	50,864,520	50,718,493
Add: Share Warrants	3,399,657	-
Weighted average number of equity shares adjusted for diluted earnings per share	54,264,177	50,718,493
Earnings per equity share of face value ₹ 2/-		
(1) Basic (₹)	0.45	3.68
(2) Diluted (₹)	0.42	3.68

(All Amounts in ₹ thousands, unless otherwise stated)

NOTE – 32

FAIR VALUE MEASUREMENTS

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the financial statements are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability.

(ii) Financial assets measured at fair value

March 31, 2018	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	995,504.67	-	-	995,504.67
Financial instruments at FVOCI				
Quoted Equity Instruments	655,239.89	-	-	655,239.89
Total financial assets	1,650,744.56	-	-	1,650,744.56

Financial assets measured at fair value

March 31, 2017	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	-	-	-	-
Financial instruments at FVOCI				
Quoted Equity Instruments	655,239.89	-	-	655,239.89
Total financial assets	655,239.89	-	-	655,239.89

Financial assets measured at fair value

April 01, 2016	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Mutual funds	-	-	-	-
Financial instruments at FVOCI				
Quoted Equity Instruments	655,239.89	-	-	655,239.89
Total financial assets	655,239.89	-	-	655,239.89

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

Specific valuation techniques used to value financial instruments include -

- (i) Investments in equity instruments of subsidiaries are stated at cost as per IND AS 27, separate financial statements.
- (ii) Use of net asset value for mutual funds on the basis of the statement received from investee party.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

NOTE – 33

FINANCIAL RISK MANAGEMENT

i) Financial instruments by category

	March 31, 2018			March 31, 2017			April 01, 2016		
	FVTPL*	FVOCI#	Amortised cost	FVTPL*	FVOCI#	Amortised cost	FVTPL*	FVOCI#	Amortised cost
Financial assets									
Investments									
Mutual funds	995,504.67	-	-	-	-	-	-	-	-
Trade receivables	-	-	17,918.10	-	-	11,302.69	-	-	19,622.63
Loans	-	-	3,685,838.10	-	-	4,187,428.83	-	-	3,826,230.90
Cash and cash equivalents	-	-	6,589.80	-	-	1,944.91	-	-	29,042.52
Security deposits	-	-	2,718.17	-	-	2,838.17	-	-	214.05
Other financial assets	-	-	4,301.77	-	-	-	-	-	124.13
Total financial assets	995,504.67	-	3,717,365.94	-	-	4,203,514.60	-	-	3,875,234.23

	March 31, 2018			March 31, 2017			April 01, 2016		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities									
Borrowings (including interest accrued)	-	-	2,517,700.00	-	-	2,517,700.00	-	-	2,517,700.00
Trade payables	-	-	3,689.16	-	-	22,062.67	-	-	1,786.01
Security deposits	-	-	135.00	-	-	135.00	-	-	12,250.86
Other financial liabilities	-	-	5,511.04	-	-	2,348.55	-	-	2,598.62
Total financial liabilities	-	-	2,527,035.20	-	-	2,542,246.22	-	-	2,534,335.49

Investment in subsidiaries and associates are measured at cost as per Ind AS 27, 'Separate financial statements'.

* These financial assets are mandatorily measured at fair value.

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

ii) Financial instruments measured at amortised cost

For amortised cost instruments, carrying value represents the best estimate of fair value except for long-term financial assets.

iii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(All Amounts in ₹ thousands, unless otherwise stated)

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
A: Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, loans, security deposits, investments (short-term) and other financial assets	12 month expected credit loss/Life time expected credit loss

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

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Assets under credit risk –

Credit rating	Particulars	March 31, 2018	March 31, 2017	April 01, 2016
A: Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, loans, security deposits, investments (short-term) and other financial assets	4,712,870.61	4,203,514.60	3,875,234.23

ii) Concentration of financial assets

The Company's principal business activities are real estate project advisory, construction and development of real estate projects and all other related activities. The Company's outstanding receivables are for real estate project advisory business. Loans and other financial assets majorly represents loans to subsidiaries and deposits given for business purposes.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

b) Credit risk exposure

Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets –

As at 31 March 2018

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	6,589.80	-	6,589.80
Loans	3,685,838.10	-	3,685,838.10
Security deposit	2,718.17	-	2,718.17
Other financial assets	4,301.77	-	4,301.77

As at 31 March 2017

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	1,944.91	-	1,944.91
Loans	4,187,428.83	-	4,187,428.83
Security deposit	2,838.17	-	2,838.17
Other financial assets	-	-	-

As at 1 April 2016

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	29,042.52	-	29,042.52
Loans	3,826,230.90	-	3,826,230.90
Security deposit	214.05	-	214.05
Other financial assets	124.13	-	124.13

Expected credit loss for trade receivables under simplified approach

The Company's outstanding trade receivables are less than six months old and the Company expects that money will be received in due course.

(B) Liquidity risk

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

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

(All Amounts in ₹ thousands, unless otherwise stated)

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2018	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Non-derivatives					
Borrowings	2,517,700.00	-	-	-	2,517,700.00
Trade payable	3,689.16	-	-	-	3,689.16
Other financial liabilities	5,646.04	-	-	-	5,646.04
Total	2,527,035.20	-	-	-	2,527,035.20

31 March 2017	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Non-derivatives					
Borrowings	2,517,700.00	-	-	-	2,517,700.00
Trade payable	22,062.67	-	-	-	22,062.67
Other financial liabilities	2,483.55	-	-	-	2,483.55
Total	2,542,246.22	-	-	-	2,542,246.22

1 April 2016	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Non-derivatives					
Borrowings	2,517,700.00	-	-	-	2,517,700.00
Trade payable	1,786.01	-	-	-	1,786.01
Other financial liabilities	14,849.48	-	-	-	14,849.48
Total	2,534,335.49	-	-	-	2,534,335.49

(C) Market risk

(i) Interest rate risk

The Company's fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

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

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Fixed rate borrowing	2,517,700.00	2,517,700.00	2,517,700.00
Total borrowings	2,517,700.00	2,517,700.00	2,517,700.00

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

NOTE – 34

EXPLANATION OF TRANSITION TO IND AS

A Reconciliation of total equity as at 31 March 2017 and 1 April 2016

Particulars	March 31, 2017			April 01, 2016		
	Previous GAAP*	Effect of transition to Ind AS	Ind AS	Previous GAAP*	Effect of transition to Ind AS	Ind AS
Non-current assets						
Property, plant and equipment	2,357.37	-	2,357.37	1,461.64	-	1,461.64
Other intangibles assets	-	-	-	-	-	-
Financial assets						
Investments	1,657,739.89	442,975.99	2,100,715.88	1,657,739.89	442,975.99	2,100,715.88
Loans	2,718.17	-	2,718.17	4,084,642.69	(358,497.74)	3,726,144.95
Deferred tax assets (net)	1,025.10	14,010.80	15,035.90	353.98	124,068.90	124,422.88
Non-current tax assets (net)	4,335.26	-	4,335.26	3,683.54	-	3,683.54
Total non-current assets	1,668,175.79	456,986.79	2,125,162.58	5,747,881.74	208,547.15	5,956,428.89
Current assets						
Inventories	6,118.41	-	6,118.41	47,659.22	-	47,659.22
Financial assets						
Investments	2,041,960.00	-	2,041,960.00	2,041,960.00	-	2,041,960.00
Trade receivables	11,302.69	-	11,302.69	19,622.63	-	19,622.63
Cash and cash equivalents	1,944.91	-	1,944.91	29,042.52	-	29,042.52
Loans	4,228,033.10	(40,484.27)	4,187,548.83	100,300.00	-	100,300.00
Other financial assets	-	-	-	124.13	-	124.13
Other current assets	8,349.03	-	8,349.03	5,821.79	-	5,821.79
Total current assets	6,297,708.14	(40,484.27)	6,257,223.87	2,244,530.29	-	2,244,530.29
Total assets	7,965,883.93	416,502.52	8,382,386.45	7,992,412.03	208,547.15	8,200,959.18

(All Amounts in ₹ thousands, unless otherwise stated)

Particulars	March 31, 2017			April 01, 2016		
	Previous GAAP*	Effect of transition to Ind AS	Ind AS	Previous GAAP*	Effect of transition to Ind AS	Ind AS
Equity						
Equity share capital	101,436.99	-	101,436.99	101,436.99	-	101,436.99
Other equity	5,292,082.60	416,502.52	5,708,585.12	5,313,164.50	208,547.14	5,521,711.64
Total equity	5,393,519.59	416,502.52	5,810,022.11	5,414,601.49	208,547.14	5,623,148.63
Liabilities						
Non-current liabilities						
Financial liabilities						
Provisions	852.49	-	852.49	599.50	-	599.50
Total non-current Liabilities	852.49	-	852.49	599.50	-	599.50
Current liabilities						
Financial liabilities						
Borrowings	2,517,700.00	-	2,517,700.00	2,517,700.00	-	2,517,700.00
Trade payables	22,062.67	-	22,062.67	1,786.01	-	1,786.01
Other financial liabilities	2,483.55	-	2,483.55	14,849.48	-	14,849.48
Other current liabilities	29,240.32	-	29,240.32	40,128.28	-	40,128.28
Provisions	25.31	-	25.31	2,747.28	-	2,747.28
Total current liabilities	2,571,511.85	-	2,571,511.85	2,577,211.05	-	2,577,211.05
Total equity and liabilities	7,965,883.93	416,502.52	8,382,386.45	7,992,412.03	208,547.14	8,200,959.18

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

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

B Reconciliation of total comprehensive income for the year ended 31 March 2017

Particulars	Previous GAAP*	Effect of transition to Ind AS	Ind AS
Revenue from operations	58,414.63	-	58,414.63
Other income	4,896.19	318,013.48	322,909.67
Total revenue	63,310.82	318,013.48	381,324.30
Expenses			
Cost of revenue	67,294.01	-	67,294.01
Employee benefits expenses	5,369.84	(88.90)	5,280.94
Finance costs	11.80	-	11.80
Depreciation and amortisation expense	361.59	-	361.59
Other expenses	12,440.83	-	12,440.83
Total expenses	85,478.07	(88.90)	85,389.17
Profit before tax	(22,167.25)	318,102.38	295,935.13
Tax expense:			
Current tax (including earlier year tax)	(51.48)	-	(51.48)
Deferred tax	(671.12)	110,058.10	109,386.98
Profit for the year	(21,444.65)	208,044.28	186,599.63
Other comprehensive income	-	-	-
Total other comprehensive income for the year	(21,444.65)	208,044.28	186,599.63

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

C First time adoption of Ind AS

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

The accounting policies set out have been applied consistently in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

D Ind AS optional exemptions

1 Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments.

2 Share based payments

Ind AS 102 Share based payments requires an entity to record the options on their fair value instead of intrinsic value. Ind AS 101 permits a first time adopter to ignore such requirement for the options already vested as on transition date that is 1 April 2016. The Company has elected to apply this exemptions for such vested options.

E Ind AS mandatory exemptions

1 Estimates

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

(All Amounts in ₹ thousands, unless otherwise stated)

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

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

2 Classification and measurement of financial assets and liabilities

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

F Reconciliations between previous GAAP and Ind AS

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

1 Reconciliation of total equity as at 31 March 2017 and 1 April 2016

	Notes to first time adoption	31 March 2017	1 April 2016
Total equity (shareholder's funds) as per previous GAAP		5,393,519.59	5,414,601.49
Adjustments:			
Impact of effective interest rate adjustment on borrowings	Note – 1	636,931.92	318,918.43
Tax impact on above adjustments	Note – 5	(220,429.40)	(110,371.29)
Total adjustments		416,502.52	208,547.14
Total equity as per Ind AS		5,810,022.11	5,623,148.63

2 Reconciliation of total comprehensive income for the year ended 31 March 2017

	Notes to first time adoption	31 March 2017
Profit after tax as per previous GAAP		(21,444.65)
Adjustments:		
Impact of effective interest rate adjustment on borrowings	Note – 1	318,013.48
Impact of financial asset at fair value through other comprehensive income	Note – 3	88.90
Tax impact on above adjustments	Note – 5	(110,058.10)
Total adjustments		208,044.28
Total comprehensive income		186,599.63

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

3 Impact of Ind AS adoption on the consolidated statements of cash flows for the year ended 31 March 2017

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash used in operating activities	**15,310.24	-	15,310.24
Net cash flow from investing activities	**(40,043.37)	-	(40,043.37)
Net cash flow from financing activities	**(2,364.48)	-	(2,364.48)
Net increase in cash and cash equivalents	(27,097.61)	-	(27,097.61)
Cash and cash equivalents as at 01 April 2016	29,042.52	-	29,042.52
Cash and cash equivalents as at 31 March 2017	1,944.91	-	1,944.91

** the impact is on account of reclassification as per Ind AS requirements.

NOTES TO FIRST TIME ADOPTION

NOTE – 1

BORROWINGS

Ind AS 109 requires transaction costs incurred towards borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the statement of profit and loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged to statement of profit and loss over the period of loan basis on straight lining basis.

NOTE – 2

AMORTISED COST INSTRUMENT

- A Under previous GAAP, long-term inter-corporate loans to subsidiaries and investments in debt instruments are shown at transaction value. Under Ind AS, such loans and debt instruments are to be evaluated under Ind AS 109 which requires the Company to account for such instruments amortised cost.
- B Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be initially recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposits has been recognised as prepaid rent.

NOTE – 3

FAIR VALUE INSTRUMENTS

Under previous GAAP, investments in long-term equity instrument are shown at cost and tested for provision other than temporary diminution. Under Ind AS, such investments are evaluated under Ind AS 109 which requires the Company to account for such instruments at fair value through profit and loss (FVTPL) or fair value through other comprehensive income (FVOCI) (except for investment in subsidiaries, associates and joint venture).

NOTE – 4

EMPLOYEE STOCK OPTION EXPENSE

Under the previous GAAP, the cost of equity-settled employee share-based plan were recognised using the intrinsic value method. Under Ind AS, the cost of equity settled share-based plan is recognised based on the fair value of the options as at the grant date.

NOTE – 5

DEFERRED TAX

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

NOTE – 6

OTHER COMPREHENSIVE INCOME

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

(All Amounts in ₹ thousands, unless otherwise stated)

NOTE – 35

CAPITAL MANAGEMENT

The Company's objectives when managing capital are:

- To ensure Company's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company manages its capital requirements by overseeing the following ratio –

Debt equity ratio

	31 March 2018	31 March 2017	1 April 2016
Net debt *	15,15,605.53	25,15,755.09	24,88,657.48
Total equity	74,09,161.15	58,10,022.11	56,23,148.63
Net debt to equity ratio	0.20	0.43	0.44

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

NOTE – 36

INFORMATION ABOUT SUBSIDIARIES

The information about subsidiaries of the Company is as follows. The below table includes the information about step down subsidiaries as well.

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2018	Proportion of ownership interest as at 31 March 2017	Proportion of ownership interest as at 1 April 2016
SORIL Infra Resources Limited	India	73.85%	73.85%	73.85%
Sentia Properties Limited	India	100%	100%	100%
Lucina Infrastructure Limited	India	100%	100%	100%
Albasta Wholesale Services Limited	India	100%	100%	100%
Mahabala Infracon Private Limited	India	100%	100%	100%
Ashva Stud and Agricultural Farms Limited	India	100%	100%	100%
Indiabulls Life Insurance Company Limited	India	100%	NA	NA
Indiabulls General Insurance Limited	India	100%	NA	NA
Store One Infra Resources Limited	India	73.85%	73.85%	73.85%
Airmid Aviation Services Limited	India	100%	100%	100%

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

NOTE – 37

RELATED PARTY TRANSACTIONS

Subsidiaries

Details in reference to subsidiaries are presented in Note – 36

Key management personnel

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

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

Summary of transactions with related parties

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Loans and advances (given)/received back, net		
Subsidiary Companies:		
Lucina Infrastructure Limited	(25.00)	(10.00)
Airmid Aviation Services Limited	5,900.00	(237,117.00)
Sentia Properties Limited	435,450.00	(20.00)
SORIL Infra Resources Limited	-	171,100.00
Mahabala Infracon Private Limited	100,750.00	(450.00)
Store One Infra Resources Limited	-	21,500.00
Interest Income received on Loans and advances		
Subsidiary Companies:		
SORIL Infra Resources Limited	-	1,420.69
Store One Infra Resources Limited	-	800.51
Lucina Infrastructure Limited	1,431.52	16,628.42
Airmid Aviation Services Limited	9,241.78	35,136.18
Sentia Properties Limited	29,810.97	266,087.48
Albasta Wholesale Services Limited	-	161.40
Investment in equity shares		
Subsidiary Company:		
Indiabulls Life Insurance Company Limited	1,100,000.00	-
Indiabulls General Insurance Limited	10,000.00	-
Dividend Income		
Subsidiary company:		
SORIL Infra Resources Limited	1,781.55	1,781.55
Albasta Wholesale Services Limited	0.30	0.30
Purchase of property, plant and equipment (excluding taxes)		
Subsidiary company:		
SORIL Infra Resources Limited	12,304.39	-
Sale of property, plant and equipment (excluding taxes)		
Subsidiary company:		
SORIL Infra Resources Limited	11,890.87	-
Reimbursement of expenses (net, excluding taxes)		
Subsidiary company:		
Indiabulls Life Insurance Company Limited	6,516.07	-
Indiabulls General Insurance Limited	2,393.79	-
SORIL Infra Resources Limited	345.79	-

(All Amounts in ₹ thousands, unless otherwise stated)

Statement of maximum balance outstanding at any time during the year:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Loans and advances given		
<i>Subsidiary Companies:</i>		
Lucina Infrastructure Limited	202,845.10	202,820.10
Airmid Aviation Services Limited	671,897.00	681,280.00
Sentia Properties Limited	3,252,496.00	3,252,446.00
SORIL Infra Resources Limited	-	171,100.00
Albasta Wholesale Services Limited	-	1,812.54
Mahabala Infracon Private Limited	167,096.00	100,750.00
Store One Infra Resources Limited	-	21,500.00

Statement of balance outstanding

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Loans and advances given			
<i>Subsidiary Companies:</i>			
Lucina Infrastructure Limited	202,845.10	202,820.10	202,810.10
Airmid Aviation Services Limited	665,997.00	671,897.00	434,780.00
Sentia Properties Limited	2,816,996.00	3,252,446.00	3,252,426.00
SORIL Infra Resources Limited	-	-	171,100.00
Albasta Wholesale Services Limited	-	-	1,812.54
Mahabala Infracon Private Limited	-	100,750.00	100,300.00
Indiabulls Life Insurance Company Limited	4,299.38	-	-
Store One Infra Resources Limited	-	-	21,500.00

NOTE - 38

CONTINGENT LIABILITIES AND COMMITMENT

A. Summary of contingent liabilities

Contingent liabilities, not acknowledged as debt, include:

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Income tax matters for assessment year 2010-11 in respect of the which appeals have been filed	2,484.32*	2,484.32	2,484.32
Income tax matters for assessment year 2012-13 in respect of the which appeals have been filed	-	-	15,630.52
Income tax matters for assessment year 2014-15 in respect of the which appeals have been filed	4,848.84	5,454.24	-

* The company has received order against this demand in its favour from Income Tax Appellate Tribunal (ITAT). The department has moved to High Court against the same.

The Company has given corporate guarantee for the secured term loans availed by the subsidiary company- SORIL Infra Resources Limited (Formerly known as Store One Retail India Limited). Outstanding amount of loans as on March 31, 2018 is ₹429,587.18 thousands (31-March-2017: ₹370,372.30 thousands; 01-April-2016: ₹215,796.22 thousands).

The Company has given corporate guarantee for the secured term loans availed by the step down subsidiary company- Airmid Aviation Services Limited. Outstanding amount of loans as on March 31, 2018 is ₹2,463,926.25 thousands (31-March-2017: ₹2,334,189.60 thousands; 01-April-2016: ₹2,387,984.40 thousands).

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

The Company has certain litigation cases pending, however, based on legal advice, the management does not expect any unfavourable outcome resulting in material adverse effect on the financial position of the Company.

As per best estimate of the management, no provision is required to be made in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.

B. Commitments

There are no commitments to be reported as on March 31, 2018, March 31, 2017 and April 01, 2016.

NOTE – 39

EMPLOYEE BENEFITS

Defined contribution plan

The company has made ₹ 27.61 thousands (31 March 2017 ₹ 6.15 in thousands) contribution in respect of provident fund.

Defined benefit plan

The Company has following defined benefit plans:

- Gratuity (unfunded)
- Compensated absences (unfunded)

Risks associated with plan provisions

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

Compensated absence

The leave obligations cover the Company's liability for permitted leaves. The amount of provision of ₹5.28 thousands (31 March 2017 - ₹6.24 thousands, 1 April 2016 - ₹5.06 thousands) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. The weighted average duration of the defined benefit obligation is 18.34 years (31 March 2017: 16.58 years).

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity plan is a non-funded plan. The weighted average duration of the defined benefit obligation is 18.34 years (31 March 2017: 16.58 years)

(All Amounts in ₹ thousands, unless otherwise stated)

Actuarial (gain)/loss on obligation:

Particulars	Gratuity		Compensated absence	
	For the year ended		For the year ended	
Actuarial (gain)/loss on arising from change in demographic assumption	Nil	Nil	Nil	Nil
Actuarial (gain)/loss on arising from change in financial assumption	(18.67)	25.66	(4.54)	8.25
Actuarial (gain)/loss on arising from change in experience adjustment	119.53	63.23	(77.28)	(9.32)

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

Particulars	Gratuity		Compensated absence	
	For the year ended		For the year ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Service cost	139.15	88.78	41.81	33.64
Net interest cost	49.75	34.87	16.17	13.15
Actuarial (gain)/loss for the year	100.86	88.90	(81.82)	(1.07)
Expenses recognized/(reversed) in the statement of profit and loss	289.76	212.55	(23.84)	45.72

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

Particulars	Gratuity		Compensated absence	
	As at		As at	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Present value of defined benefit obligation at the beginning of the year	662.48	449.93	215.32	169.61
Current Service Cost	139.15	88.78	41.81	33.64
Interest Cost	49.75	34.87	16.17	13.15
Actuarial (gain)/loss on obligation	100.86	88.90	(81.82)	(1.07)
Benefits paid	-	-	-	-
Present value of defined benefit obligation at the end of the year	952.24	662.48	191.49	215.32

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

	Particulars	Gratuity		Compensated absence	
		As at		As at	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
a)	Current liability (amount due within one year)	22.33	19.07	5.28	6.24
b)	Non - current liability (amount due over one year)	929.91	643.41	186.21	209.08
	Total projected benefit obligation at the end of the year	952.24	662.48	191.49	215.32

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

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

Particulars	Gratuity		Compensated absence	
	As at		As at	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Discount rate	7.93%	7.51%	7.93%	7.51%
Salary escalation rate	5.25%	5.00%	5.25%	5.00%
Mortality table	IALM (2006 - 08)	IALM (2006 - 08)	IALM (2006 - 08)	IALM (2006 - 08)

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan of defined benefit obligation:

	Year	31 March 2018		Year	31 March 2017	
		Gratuity	Compensated absence		Gratuity	Compensated absence
a)	April 2018 – March 2019	22.33	5.28	April 2017 – March 2018	19.07	6.24
b)	April 2019 – March 2020	16.64	3.73	April 2018 – March 2019	11.36	4.22
c)	April 2020 – March 2021	153.83	17.42	April 2019 – March 2020	11.97	4.16
d)	April 2021 – March 2022	14.91	3.34	April 2020 – March 2021	12.21	4.10
e)	April 2022 – March 2023	14.93	3.31	April 2021 – March 2022	12.69	4.05
f)	April 2023 – March 2024	14.87	3.09	April 2022 – March 2023	12.51	4.00
g)	April 2024 onwards	714.73	155.33	April 2023 onwards	582.66	188.55

Sensitivity analysis of the defined benefit obligation:

Particulars	31 March 2018		31 March 2017	
	Gratuity	Compensated absence	Gratuity	Compensated absence
Impact of the change in discount rate				
Present value of obligation at the end of the year	952.24	191.49	662.48	215.32
a) Impact due to increase of 0.50 %	(53.87)	(12.93)	(51.98)	(16.71)
b) Impact due to decrease of 0.50 %	59.29	14.32	58.03	18.61
Impact of the change in salary increase				
Present value of obligation at the end of the year	952.24	191.49	662.48	215.32
a) Impact due to increase of 0.50 %	60.58	14.63	59.20	18.99
b) Impact due to decrease of 0.50 %	(55.43)	(13.31)	(53.40)	(17.17)

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

(All Amounts in ₹ thousands, unless otherwise stated)

NOTE – 40

CORPORATE SOCIAL RESPONSIBILITY EXPENSES

(a) Gross amount required to be spent by the company during the year: ₹80.00 thousands (31-March-2017: ₹730.00 thousands; 01-April-2016: ₹330.00 thousands).

(b) Amount spent during the year on:

S. No.	Particulars	Year	Paid in cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	31-March-2018	-	-	-
		31-March-2017	-	-	-
		01-April-2016	-	-	-
(ii)	On purposes other than (i) above	31-March-2018	80.00	-	80.00
		31-March-2017	730.00	-	730.00
		01-April-2016	330.00	-	330.00

NOTE – 41

SHARE BASED PAYMENTS

SORIL Holdings and Ventures Limited Employees Stock Options Scheme – 2011 The Company established the SORIL Holdings and Ventures Limited Employees Stock Options Scheme - 2011 ("SHVL ESOS"). Under the Plan, the Company granted 45,66,600 equity settled options to its eligible employees which gave them a right to subscribe up to 45,66,600 stock options representing an equal number of equity shares of face value of ₹ 2 each of the Company at an exercise price of ₹ 105.20 per option, subject to the requirements of vesting. A compensation committee constituted by the Board of Directors of the Company administers the Plan. The stock options so granted, shall vest in the eligible employees within 5 years beginning from 3 November 2018, the first vesting date. The stock options granted under each of the slabs are exercisable by the option holders within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan

Particulars	31 March 2018	31 March 2017
Opening balance	-	-
Granted during the year	45,66,600	-
Exercised during the year	-	-
Forfeited during the year	-	-
Closing balance	45,66,600	-
Vested and exercisable	-	-

Weighted average share exercised price during the year ended 31 March 2018: ₹ Nil (31 March 2017: ₹ Nil)

The total expense of share based payments recognized during the year ended 31 March 2018 is ₹ 15545.13 thousands (31 March 2017: ₹Nil)

Particulars	SHVL ESOS
Fair market value of option on the date of grant	₹15.52
Exercise price	₹105.20
Expected volatility	40.57%-54.28%
Expected forfeiture percentage on each vesting date	20%
Expected option life (weighted average)	8 years
Expected dividend yield	100%
Risk free interest rate	6.56%-7.01%

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

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018 (contd.)

(All Amounts in ₹ thousands, unless otherwise stated)

NOTE – 42

SEGMENT REPORTING

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

NOTE – 43

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES PURSUANT TO IND AS 7 – CASH FLOWS

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

Particulars	Current borrowings	Total
Net debt as at 01 April 2016	2,517,700.00	2,517,700.00
Fair valuation impact	-	-
Proceeds from current borrowings	-	-
Repayment of current borrowings	-	-
Net debt as at 31 March 2017	2,517,700.00	2,517,700.00
Fair valuation impact	-	-
Proceeds from current borrowings	-	-
Repayment of current borrowings	-	-
Net debt as at 31 March 2018	2,517,700.00	2,517,700.00

NOTE – 44

DISCLOSURE IN RESPECT OF THE GUIDANCE NOTE ISSUED BY INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA ON "ACCOUNTING FOR REAL ESTATE TRANSACTIONS" UNDER IND AS

Particulars	As at March 31, 2018	As at March 31, 2017
Amount of project revenue recognized as revenue during the year	3,619.97	55,409.64
Aggregate amount of costs incurred and profits recognized to date	2,234,735.13	2,231,115.16
Amount of advance received	13,313.80	13,893.49
Amount of work-in-progress and value of inventories	3,019.89	6,118.41
Excess of revenue recognized over actual bills raised (Unbilled revenue)	80.59	80.59

(All Amounts in ₹ thousands, unless otherwise stated)

NOTE – 45

OTHER MATTERS

- a. The Company has not entered into any derivative instrument during the year. The Company does not have any foreign currency exposures towards receivables, payables or any other derivative instrument that have not been hedged.
- b. In respect of amounts as mentioned under Section 125 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2018, 31 March 2017 and 1 April 2016.
- c. In the opinion of the Board of Directors, all current assets and long term loans & advances, appearing in the balance sheet as at 31 March 2018, have a value on realization, in the ordinary course of the Company's business, at least equal to the amount at which they are stated in the financial statements. In the opinion of the board of directors, no provision is required to be made against the recoverability of these balances.

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

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number: 005975N

Vikas Aggarwal

Partner

Place: Gurugram

Date: 02 May, 2018

For and on behalf of the Board of Directors

Manvinder Singh Walia

Whole Time Director

[DIN: 07988213]

Priya Jain

Company Secretary

Ajit Kumar Mittal

Director

[DIN: 02698115]

Saurabh Garg

Chief Financial Officer

Statement containing salient features of the financial statement of subsidiaries

[Pursuant to first proviso to Sub-section (3) of section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 (Form AOC-1)]

(All amount in ₹ lakhs, unless otherwise stated)

Sl. No.	Name of Subsidiary	Reporting period	Reporting currency	Share capital	Other equity	Total Assets (other than investments)	Total Liabilities	Investments	Turnover	Profit/(loss) before taxation	Provision for taxation	Profit/(loss) after taxation	Proposed dividend (including corporate dividend tax)	% of share-holding at the end of the reporting period
1	Indiabulls Life Insurance Company Limited	2017-18	INR	11,000.00	103.89	42.52	102.45	11,163.83	-	183.13	48.80	134.33	-	100%
2	Indiabulls General Insurance Limited	2017-18	INR	100.00	(25.86)	77.62	3.48	-	-	(26.56)	(0.70)	(25.86)	-	100%
3	Lucina Infrastructure Limited	2017-18	INR	5.00	(773.37)	1,260.20	2,028.57	-	-	(14.47)	(495.42)	(951.38)	-	100%
4	Sentia Properties Limited	2017-18	INR	5.00	(3,421.60)	32,853.58	36,270.18	-	-	(1,192.86)	(103.17)	(1,089.69)	-	100%
5	Ashva Stud and Agricultural Farms Limited	2017-18	INR	5.00	(1.21)	4.09	0.30	-	-	(0.33)	-	(0.33)	-	100%
6	Airmid Aviation Services Limited	2017-18	INR	1,000.00	(34,546.69)	18,097.42	52,144.68	500.57	7,185.22	(72.65)	(31.98)	(40.66)	-	100%
7	Mahabala Infracon Private Limited	2017-18	INR	5.00	(218.29)	1,520.25	1,733.54	-	-	(69.46)	51.30	(120.76)	-	100%
8	Albasta Wholesale Services Limited	2017-18	INR	10,005.00	(2,567.46)	3,935.33	6,244.55	9,746.76	-	55.79	3.21	52.58	-	100%
9	"SORIL Infra Resources Limited (Formerly known as Store One Retail India Limited)"	2017-18	INR	2,760.00	(2,635.84)	34,017.66	34,499.18	605.68	16,454.71	1,784.68	0.19	1,784.49	-	73.85%
10	Store One Infra Resources Limited	2017-18	INR	5.00	(94.54)	8,088.85	8,178.39	-	28.01	-58.24	-	(58.24)	-	100%

(All Amounts in ₹ thousands, unless otherwise stated)



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CORPORATE OFFICES

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