

INDEPENDENT AUDITOR'S REPORT

To the Members of

Indiabulls Asset Management Company Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Indiabulls Asset Management Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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

Basis for Opinion

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

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

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

Management's Responsibility for the Standalone Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company 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 the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year.

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

- i) The Company does not have any pending litigations which would impact its financial position.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There here were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No. 016827N

Sd/-
Rahul Mukhi
Partner
Membership No. 099719
New Delhi, April 16, 2019

Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Asset Management Company Limited for the year ended March 31, 2019

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

We have audited the internal financial controls over financial reporting of Indiabulls Asset Management Company Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No. 016827N

Sd/-
Rahul Mukhi
Partner
Membership No.099719
New Delhi, April 16, 2019

Annexure B to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Asset Management Company Limited for the year ended March 31, 2019

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Indiabulls Asset Management Company Limited of even date)

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

(i) In respect of its Fixed Assets:

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

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

(c) The Company does not own immovable properties.

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

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

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

(v) According to information and explanations given to us, the Company has not accepted any deposits during the year. Accordingly, the provisions of clause 3 (v) are not applicable to the Company.

(vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 Companies Act, 2013 to the products/services of the Company. Accordingly, the provisions of clause 3 (vi) are not applicable to the Company.

(vii) (a) In our opinion and according to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities, to the extent applicable to it. There are no arrears of outstanding statutory dues as at March 31, 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the Company did not have any dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.

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

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

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

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

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

(xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 to the extent applicable and the details have been disclosed in Note 40 to the Financial Statements as required by the accounting standards and Companies Act, 2013.

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

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

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

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No. 016827N

Sd/-
Rahul Mukhi
Partner
Membership No.099719
New Delhi, April 16, 2019

Indiabulls Asset Management Company Limited**Balance Sheet as at March 31, 2019**

(All amount Rs. in Thousand, except for share data unless stated otherwise)

	Note No.	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
ASSETS				
(1) Financial Assets				
(a) Cash and cash equivalents	3	34,713.93	1,498.33	13,583.80
(b) Receivables				
Trade Receivables	4	2,34,951.43	2,51,232.96	1,01,484.12
(c) Loans	5	3,000.00	3,000.00	3,000.00
(d) Investments	6	12,88,993.22	12,49,366.07	3,91,081.19
(2) Non-financial Assets				
(a) Current tax assets (Net)	7	39,191.56	25,666.39	13,311.46
(b) Deferred tax assets (Net)	8	1,746.27	4,791.36	1,045.87
(c) Property, Plant and Equipment	9	8,770.98	9,414.08	3,099.91
(d) Other Intangible assets	10	21,991.74	764.68	904.43
(e) Other non-financial assets	11	1,97,812.07	2,51,893.47	2,31,560.70
Total Assets		18,31,171.20	17,97,627.34	7,59,071.48
LIABILITIES AND EQUITY				
(3) LIABILITIES				
(i) Financial Liabilities				
(a) Other financial liabilities	12	-	1,316.47	-
(ii) Non-Financial Liabilities				
(a) Provisions	13	13,621.73	13,868.69	8,938.28
(b) Other non-financial liabilities	14	62,439.00	60,066.90	40,039.36
(4) EQUITY				
(a) Equity Share capital	15	17,00,000.00	17,00,000.00	7,00,000.00
(b) Other Equity	16	55,110.47	22,375.28	10,093.84
Total Liabilities and Equity		18,31,171.20	17,97,627.34	7,59,071.48

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N

For and on behalf of the Board of Directors of
Indiabulls Asset Management Company Limited

Sd/-
Rahul Mukhi
Partner
Membership No. 099719
New Delhi, April 16, 2019

Sd/-
Raghav Narasimhan Iyenger
Whole time Director
DIN : 07160750
New Delhi, April 16, 2019

Sd/-
Rekha Gopal Warriar
Director
DIN : 08152356

Sd/-
Rabindra Kumar Pathak
Company Secretary
New Delhi, April 16, 2019

Sd/-
Satish Virmani
Chief Financial Officer

Indiabulls Asset Management Company Limited
Statement of Profit and Loss for the year ended March 31, 2019

(All amount Rs. in Thousand, except for share data unless stated otherwise)

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
(I) Revenue from operations			
(a) Fees and commission Income	17	3,79,248.93	4,17,192.92
(b) Net gain on fair value changes	18	72,910.40	43,784.32
Total Revenue from operations (a+b)		4,52,159.34	4,60,977.24
(II) Other Income	19	26,031.66	11,781.25
(III) Total Income (I+II)		4,78,190.99	4,72,758.49
(IV) Expenses			
(i) Finance Costs	20	16.04	12.43
(ii) Net loss on fair value changes	21	-	10,672.85
(iii) Employee Benefits Expenses	22	1,94,740.43	1,87,056.95
(iv) Depreciation, amortization and impairment		5,714.38	2,723.76
(v) Other expenses	23	2,35,510.25	2,52,887.05
Total Expenses (IV)		4,35,981.09	4,53,353.04
(V) Profit / (Loss) before exceptional items and tax (III-IV)		42,209.90	19,405.45
(VI) Exceptional Items		-	-
(VII) Profit/(loss) before tax (V-VI)		42,209.90	19,405.45
(VIII) Tax Expense:	24		
(1) Current Tax		9,509.60	12,231.55
(2) MAT Credit Entitlement		(5,339.02)	-
Net Current tax		4,170.58	12,231.55
(3) Deferred Tax		7,527.26	(4,124.42)
Income tax expense		11,697.84	8,107.13
(IX) Profit/(loss) for the year from continuing operations (VII-VIII)		30,512.07	11,298.32
(X) Profit/(loss) from discontinued operations		-	-
(XI) Tax expense of discontinued operations		-	-
(XII) Profit/(loss) from discontinued operations after tax (X-XI)		-	-
XIII Profit/(loss) for the year (IX+XII)		30,512.07	11,298.32

Indiabulls Asset Management Company Limited
Statement of Profit and Loss for the year ended March 31, 2019 (continued)

(All amount in Rs. in Thousand, except for share data unless stated otherwise)

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
(XIV) Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		2,656.61	870.48
Income tax relating to items that will not be reclassified to profit or loss		(739.07)	(242.17)
Subtotal (A)		1,917.54	628.31
(B) Items that will be reclassified to profit or loss			
Change in fair value of equity instrument carried at fair value through other comprehensive income		423.38	491.56
Income tax relating to items that will be reclassified to profit or loss		(117.78)	(136.75)
Subtotal (B)		305.59	354.81
Other Comprehensive Income (A+B)		2,223.13	983.12
(XV) Total Comprehensive Income for the year		32,735.20	12,281.44
(XVI) Earnings per equity share for continuing operations:	42		
(1) Basic (in INR)		0.18	0.09
(2) Diluted (in INR)		0.18	0.09
(XVII) Earnings per equity share for discontinued operations:	42		
(1) Basic (in INR)		-	-
(2) Diluted (in INR)		-	-
(XVIII) Earnings per equity share for continuing & discontinued operations:	42		
(1) Basic (in INR)		0.18	0.09
(2) Diluted (in INR)		0.18	0.09

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

 For Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N

 For and on behalf of the Board of Directors of
Indiabulls Asset Management Company Limited

 Sd/-
Rahul Mukhi
Partner
Membership No. 099719
New Delhi, April 16, 2019

 Sd/-
Raghav Narasimhan Iyenger
Whole time Director
DIN : 07160750
New Delhi, April 16, 2019

 Sd/-
Rekha Gopal Warriar
Director
DIN : 08152356

 Sd/-
Rabindra Kumar Pathak
Company Secretary
New Delhi, April 16, 2019

 Sd/-
Satish Virmani
Chief Financial Officer

Indiabulls Asset Management Company Limited
Cash flow statement for the year ended March 31,2019
(All amount in Rs. in Thousand, except for share data unless stated otherwise)

	For the year ended March 31, 2019	For the year ended March 31, 2018
A Cash flow from operating activities :		
Net Profit/ (loss) before tax	42,209.90	19,405.45
Adjustments for:		
Profit on redemption of mutual funds	(44,956.31)	(43,784.32)
Unrealised Gain on Units of Mutual Funds	(27,954.09)	-
Balance written back	(239.82)	(1,296.87)
Interest on real estate fund	(22,438.11)	(10,473.91)
Unrealised Loss on Units of Mutual Funds	-	10,672.85
Provision for gratuity	3,733.88	4,193.11
(Reversal of)/Provision for compensated absences	(100.10)	1,607.78
Depreciation and amortization expense	5,714.38	2,723.76
Operating Profit/(Loss) before working capital changes	(44,030.28)	(16,952.13)
Changes in working capital:		
Trade Receivables	16,281.53	(149,748.85)
Other non-financial assets	54,081.40	(20,332.77)
Other financial liabilities	(1,316.47)	1,316.47
Provisions	(1,224.14)	(0.00)
Other non-financial liabilities	2,611.93	21,324.40
Cash used in operations	26,403.97	(164,392.88)
Direct taxes paid	(23,034.78)	(24,586.48)
Net cash generated from/(used in) operating activities	3,369.19	(188,979.35)
B Cash flow from investing activities		
(Purchase)/Sale of fixed assets-net	(26,298.35)	(8,898.18)
Interest received on real estate fund	22,438.11	10,473.91
Proceeds from redemption of /(Investments in) units of Mutual Funds (net)	33,706.64	(824,681.85)
Net cash generated from/(used in) investing activities	29,846.41	(823,106.12)
C Cash flow from financing activities		
Proceeds from issue of equity shares	-	1,000,000.00
Net cash generated from/(used in) financing activities	-	1,000,000.00
D Net increase / (decrease) in cash and cash equivalents (A+B+C)	33,215.60	(12,085.47)
E Cash and cash equivalents at the beginning of the year	1,498.33	13,583.80
Cash and cash equivalents at the close of the year (D + E)		
F [Refer Note: 3]	34,713.93	1,498.33

Summary of significant accounting policies

[Refer Note: 2]

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N

For and on behalf of the Board of Directors of
Indiabulls Asset Management Company Limited

Sd/-
Rahul Mukhi
Partner
Membership No. 099719
New Delhi, April 16, 2019

Sd/-
Raghav Narasimhan Iyenger
Whole time Director
DIN : 07160750
New Delhi, April 16, 2019

Sd/-
Rekha Gopal Warriar
Director
DIN : 08152356

Sd/-
Rabindra Kumar Pathak
Company Secretary
New Delhi, April 16, 2019

Sd/-
Satish Virmani
Chief Financial Officer

Indiabulls Asset Management company Limited

Statement of change in equity for the year ended on March 31, 2019

(All amount Rs. in Thousand, except for share data unless stated otherwise)

A. Equity Share Capital

Opening balance as at April 01, 2017	Changes in equity share capital during the year	Balance as at March 31, 2018	Changes in equity share capital during the year	Balance as at March 31, 2019
7,00,000	10,00,000	17,00,000	-	17,00,000

B. Other Equity

Description	Reserves and Surplus	Items of other comprehensive income	Total
	Retained earnings		
Balance as at April 01, 2017	9,776.83	317.00	10,093.84
Profit for the year	11,298.32	628.31	11,926.63
Remeasurements of the defined benefit plans through Other Comprehensive Income	628.31	(628.31)	-
Change in fair value of equity instrument carried at fair value through other comprehensive income	-	354.81	354.81
Balance as at March 31, 2018	21,703.46	671.81	22,375.28
Profit for the year	30,512.07	1,917.54	32,429.60
Remeasurements of the defined benefit plans through Other Comprehensive Income	1,917.54	(1,917.54)	-
Change in fair value of equity instrument carried at fair value through other comprehensive income	-	305.59	305.59
Balance as at March 31, 2019	54,133.07	977.41	55,110.47

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N

For and on behalf of the Board of Directors of
Indiabulls Asset Management Company Limited

Sd/-
Rahul Mukhi
Partner
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Rabindra Kumar Pathak
Company Secretary
New Delhi, April 16, 2019

Sd/-
Satish Virmani
Chief Financial Officer

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 1

Corporate information:

Indiabulls Asset Management Company Limited ("the Company") was incorporated on April 10, 2008 vide registration No.U65991DL2008PLC176627 as a wholly owned subsidiary of Indiabulls Housing Finance Limited (IHFL).

The Company's principal activity is to act as an investment manager to Indiabulls Mutual Fund ("the Fund"). The Company is registered with Securities and Exchange Board of India ('SEBI') under SEBI (Mutual Fund) Regulations, 1996. The Company manages the investment portfolio of the Fund and provides various administrative services to the Fund and Trustee Company as laid down in the Investment Management Agreement dated November 07, 2008 and amended from time to time.

Note - 2

Summary of significant accounting policies:

i) General information and statement of compliance with Ind AS

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

For all periods up to and including the year ended 31 March 2018, the Company has prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). These financial statements for the year ended 31 March 2019 are the first which the Company has prepared in accordance with Ind AS. For the purpose of corresponding figures, set of financial statements for the year ended 31 March 2018 and opening balance sheet as at 1 April 2017 are also prepared under Ind AS.

The financial statements for the year ended 31 March 2019 were authorized and approved for issue by the Board of Directors on April 16, 2019.

ii) Basis of preparation

These financial statements have been prepared in Indian Rupee which is the functional currency of the Company.

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

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

iii) Recent accounting pronouncements

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

Ind AS - 116

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

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

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

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

iii) Recent accounting pronouncements (continued)

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

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

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

Ind AS 109 – Prepayment Features with Negative Compensation

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

Ind AS 19 – Plan Amendment, Curtailment or Settlement

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

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

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

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

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

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

iv) Use of estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets and fair value measurement of financial instruments, these are discussed below. Key sources of estimation of uncertainty in respect of revenue recognition, employee benefits and provisions and contingent liabilities have been discussed in their respective policies.

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

iv) Use of estimates and judgements (continued)

Impairment of investments in subsidiaries

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy has been explained under note 2(ix).

Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained under note 2(x).

v) Revenue recognition:

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. There is no impact of the adoption of the standard on the financial statements of the Company.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

vi) Leases

Finance lease

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Operating lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

vii) Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their nature.

viii) Foreign currency

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

ix) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

ix) Income taxes (continued)

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

x) Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

xi) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

xii) Investment in subsidiaries

Investment in subsidiaries are measured at cost less impairment loss, if any.

xiii) Property, plant and equipment

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives
Vehicle	5 years
Furniture and fixtures	10 years
Computer	3 years
Office Equipment	5 years
Leasehold Improvements	10 years

Assets held under finance lease are depreciated over the shorter of the lease term and their useful lives.

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

xiv) Intangible assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences which are amortised over license period which equates the useful life ranging between 2-5 years on a straight line basis over the period of its economic useful life.

xv) Impairment

(a) Financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(b) Non-financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

xvi) Employee benefits

(i) Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

(ii) Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

xvi) Employee benefits (continued)

(iii) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(iv) Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

xvii) Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

xviii) Segment reporting:

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive management in deciding how to allocate resources and in assessing performance.

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Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019
(All amount Rs. in Thousand, except for share data unless stated otherwise)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Note:3			
Cash and cash equivalents			
i) Cash on hand	7.04	9.67	15.73
ii) Balances with Banks :			
In Current accounts	34,706.89	1,488.67	13,568.07
As per Balance Sheet	<u>34,713.93</u>	<u>1,498.33</u>	<u>13,583.80</u>
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Note:4			
Trade Receivables			
(unsecured)			
- Considered good	2,34,951.43	2,51,232.96	1,01,484.11
As per Balance Sheet	<u>2,34,951.43</u>	<u>2,51,232.96</u>	<u>1,01,484.11</u>
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Note:5			
Loans			
At amortised cost:			
Security Deposit	3,000.00	3,000.00	3,000.00
As per Balance Sheet	<u>3,000.00</u>	<u>3,000.00</u>	<u>3,000.00</u>

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019
(All amount Rs. in Thousand, except for share data unless stated otherwise)

	As at March 31,2019	As at March 31, 2018	As at April 01, 2017
Note:6			
Investments			
At fair value through other comprehensive income:			
Investments in equity instruments (unquoted)			
MF Utilities India Private Limited (500,000 (March 31, 2018: 500,000 , April 1,2017: 500,000) equity shares of face value of Rs. 1 each)	1,854.13	1,430.75	939.19
At fair value through statement of profit and loss :			
Investment in units of Mutual Funds (unquoted)			
a) Indiabulls Blue Chip Fund Direct Growth [No.of units 43,624.161 (March 31,2018 : 43,624.161 April 1,2017 : 43624.161) NAV Rs. 23.3100 (March 31,2018 Rs. 21.2300, April 1,2017 Rs. 18.5300) per unit]	1,016.88	926.14	808.36
b) Indiabulls Arbitrage Fund Direct Growth [No.of units 185,857.496 (March 31,2018 : 185,857.496, April 1,2017 : 185,857.496) NAV Rs. 13.4805 (March 31,2018 Rs. 12.7303, April 1,2017 Rs. 11.9469) per unit]	2,505.45	2,366.02	2,220.42
c) Indiabulls Value Discovery Fund Direct Growth [No.of units 202,017.191 (March 31,2018 : 202,017.191, April 1,2017 : 202,017.191) NAV Rs. 12.7242 (March 31,2018: Rs. 13.7718 April 1,2017 : Rs. 13.1693) per unit]	2,570.51	2,782.14	2,660.43
d) Indiabulls Dynamic Bond Fund Direct Plan Growth {No.of units 50,000.000 (March 31, 2018: Nil April 1, 2017: Nil) ,NAV Rs. 1,033.7047 per unit (March 31, 2018: Nil, April 1, 2017: Nil)}	51,685.24	-	-
e) Indiabulls Monthly Income Plan Direct Growth [No.of units 1,479,208.244 (March 31,2018: 54,565,642.880 April 1,2017 :210,000.000) NAV Rs. 14.1090 (March 31,2018 : Rs. 13.2971 April 1,2017: Rs. 11.2246) per unit]	20,870.15	7,25,564.81	2,357.17
f) Indiabulls Savings Fund Direct Plan Growth {No.of units 4,997.068 (March 31, 2018: Nil April 1, 2017: Nil) ,NAV Rs. 1043.5343 per unit (March 31, 2018: Nil April 1, 2017: Nil)}	5,214.61	-	-
g) Indiabulls Equity Hybrid Fund Direct Growth Plan {No. of units 498,539.280 (March 31, 2018: Nil April 1, 2017: Nil) ,NAV Rs. 10.5758 per unit (March 31, 2018: Nil April 1, 2017: Nil) }	5,272.45	-	-
h) Indiabulls Ultra Short Term Fund-Direct Plan Growth [No.of units 244,393.239 (March 31,2018: 3,668.170 , April 1,2017 : 3,668.170) NAV Rs. 1866.2120 (March 31,2018 Rs. 1728.2821 ,April 1,2017 Rs. 1611.0244) per unit]	4,56,089.60	6,339.63	5,909.51
i) Indiabulls Liquid Fund - Direct- Growth [No.of units 68,730.410 (March 31,2018 : 33,740.941 ,April 1,2017 :213,903.246) NAV Rs. 1825.3771 (March 31,2018 Rs. 1,698.2479 April 1,2017 : Rs. 1,588.8567) per unit]	1,25,458.92	57,300.48	3,39,861.61
j) Indiabulls Income Fund - Direct - Growth [No.of units 36,29,252.250 (March 31,2018 : 353,089.533 ,April 1, 2017 : 353,089.533) NAV Rs. 16.3523 (March 31,2018 Rs.15.1493 , April 1,2017 Rs. 13.8933) per unit]	59,344.99	5,349.06	4,905.58
k) Indiabulls Short Term Fund - Direct [No.of units 245,711.706 (March 31,2018 : 4,259.119 , April 1, 2017 : 4,259.119) NAV Rs. 1651.8064 (March 31,2018 Rs. 1513.3689 , April 1,2017 Rs. 1412.9337) per unit]	4,05,868.17	6,445.62	6,017.85
l) Indiabulls Gilt Fund-Direct Plan-Growth [No.of units Nil (March 31,2018 : 112,406.869 April 1,2017 : 1,758.007) NAV Rs. Nil (March 31,2018 Rs. 1,583.3596 , April 1,2017 Rs. 1546.7356) per unit]	-	1,77,980.49	2,719.17
m) Indiabulls Tax Savings Fund Direct Growth [No.of units 2,000,000 (March 31,2018: 2,000,000 April 1, 2017 : Nil) NAV Rs. 9.7300 (March 31, 2018 Rs. 9.6900 April 1, 2017 Rs. Nil) per unit]	19,460.00	19,380.00	-
Investment in Alternative Investment Fund			
a) Indiabulls Real Estate Fund Category II AIF	1,21,599.93	2,43,500.93	22,681.92
b) Indiabulls High Yield Fund	10,182.21	-	-
As per Balance Sheet	12,88,993.21	12,49,366.07	3,91,081.19
Aggregate value of quoted and unquoted investments is as follows:			
Aggregate value of quoted investments	-	-	-
Aggregate value of unquoted investments (net of impairment)	12,88,993.21	12,49,366.07	3,91,081.19
Aggregate market value of quoted investments	-	-	-
Aggregate value of impairment of investments	-	-	-

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019
(All amount Rs. in Thousand, except for share data unless stated otherwise)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Note:7			
Current tax assets (Net)			
Advance Tax / Tax Deducted at Source(Net of provision for Tax)	39,191.56	25,666.39	13,311.46
As per Balance Sheet	39,191.56	25,666.39	13,311.46
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Note:8			
Deferred tax assets (Net)			
Deferred tax assets:			
Arising on account of temporary differences due to:			
Disallowance under Section 40A(7) of the Income Tax Act,1961	2,409.47	2,450.33	1,898.30
Disallowance under Section 43B of the Income Tax Act,1961	1,380.10	1,407.95	1,195.06
On difference between book balance and tax balance of property, plant and equipment & Other Intangible assets	-	67.59	-
Fair valuation of financial instruments	-	865.50	-
	3,789.56	4,791.36	3,093.36
Deferred tax liabilities:			
Arising on account of temporary differences due to:			
On difference between book balance and tax balance of property, plant and equipment & Other Intangible assets	353.20	-	80.56
Fair valuation of financial instruments	7,029.11	-	1,966.93
	7,382.31	-	2,047.49
MAT credit entitlement	5,339.02	-	-
As per Balance Sheet	1,746.27	4,791.36	1,045.87

Movement in deferred tax balances
March 31, 2019

Particulars	Balance as on April 01, 2018	Recognised in Profit and loss	Recognised in OCI	Balance as on March 31, 2019
Disallowance under Section 40A(7) of the Income Tax Act,1961	2,450.33	698.21	(739.07)	2,409.47
Disallowance under Section 43B of the Income Tax Act,1961	1,407.95	(27.85)	-	1,380.10
On difference between book balance and tax balance of property, plant and equipment & Other Intangible assets	67.59	(420.79)	-	(353.20)
Fair valuation of financial instruments	865.50	(7,776.83)	(117.78)	(7,029.11)
MAT credit entitlement	-	5,339.02	-	5,339.02
Total	4,791.36	(2,188.24)	(856.85)	1,746.27

March 31, 2018

Particulars	Balance as on April 01, 2017	Recognised in Profit and loss	Recognised in OCI	Balance as on March 31, 2018
Disallowance under Section 40A(7) of the Income Tax Act,1961	1,898.30	794.19	(242.17)	2,450.33
Disallowance under Section 43B of the Income Tax Act,1961	1,195.06	212.89	-	1,407.95
On difference between book balance and tax balance of property, plant and equipment & Other Intangible assets	(80.56)	148.15	-	67.59
Fair valuation of financial instruments	(1,966.93)	2,969.19	(136.75)	865.50
MAT credit entitlement	-	-	-	-
Total	1,045.87	4,124.42	(378.92)	4,791.36

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Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019
(All amount Rs. in Thousand, except for share data unless stated otherwise)

Note:9

Property, plant and equipment

Particulars	Amount					
	Leasehold improvements	Computers and printers	Furniture and fixtures	Motor vehicles	Office equipments	Total
Gross Block*						
At April 1, 2017	-	1,692.97	202.66	991.44	212.84	3,099.91
Additions	920.61	2,204.24	296.19	5,394.09	83.05	8,898.18
Disposals	-	-	-	-	-	-
At March 31, 2018	920.61	3,897.21	498.85	6,385.53	295.88	11,998.09
Additions	-	866.55	-	1,526.66	113.28	2,506.49
Disposals	-	-	-	-	-	-
At March 31, 2019	920.61	4,763.76	498.85	7,912.19	409.17	14,504.58
Accumulated Depreciation						
At April 1, 2017	-	-	-	-	-	-
Charge for the year	46.66	1,397.67	55.09	1,011.65	72.93	2,584.01
Disposals	-	-	-	-	-	-
At March 31, 2018	46.66	1,397.67	55.09	1,011.65	72.93	2,584.01
Charge for the year	92.06	1,422.65	68.88	1,479.69	86.30	3,149.59
Disposals	-	-	-	-	-	-
At March 31, 2019	138.72	2,820.32	123.98	2,491.35	159.23	5,733.60
Net Block						
At March 31, 2018	873.95	2,499.55	443.75	5,373.87	222.95	9,414.08
At March 31, 2019	781.89	1,943.45	374.87	5,420.84	249.93	8,770.98

***Deemed cost of property, plant and equipment**

Particulars	Gross block as at 01 April 2017	Accumulated depreciation as at 1 April 2017	Net block as at 1 April 2017
Computers and printers	4,887.13	3,194.16	1,692.97
Furniture and fixtures	355.95	153.29	202.66
Motor vehicles	1,999.16	1,007.72	991.44
Office equipments	624.75	411.91	212.84

Note:10

Other Intangible assets

Particulars	Amount	
	Software	Total
Gross block*		
At April 1, 2017	904.43	904.43
Additions	-	-
Disposals	-	-
At March 31, 2018	904.43	904.43
Additions	23,791.85	23,791.85
Disposals	-	-
At March 31, 2019	24,696.29	24,696.29
Amortization		
At April 1, 2017	-	-
Charge for the year	139.76	139.76
At March 31, 2018	139.76	139.76
Charge for the year	2,564.79	2,564.79
At March 31, 2019	2,704.54	2,704.54
Net block		
At March 31, 2018	764.68	764.68
At March 31, 2019	21,991.74	21,991.74

***Deemed cost of Other Intangible assets**

Amount Rs.

Particulars	Gross block as at 01 April 2017	Accumulated depreciation as at 1 April 2017	Net block as at 1 April 2017
Software	7,239.02	6,334.58	904.43

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019
(All amount Rs. in Thousand, except for share data unless stated otherwise)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Note:11			
Other non-financial assets			
Capital Advance	833.39	2,059.79	20.30
Others including Prepaid Expenses/Cenvat Credit and Employee advances	1,96,978.68	2,49,833.68	2,31,540.41
As per Balance Sheet	<u><u>1,97,812.07</u></u>	<u><u>2,51,893.47</u></u>	<u><u>2,31,560.70</u></u>
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Note:12			
Other financial liabilities			
Temporary Overdrawn Balances as per books	-	1,316.47	-
As per Balance Sheet	<u><u>-</u></u>	<u><u>1,316.47</u></u>	<u><u>-</u></u>
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Note:13			
Provisions			
(Refer Note 38)			
Provision for Gratuity	8,660.92	8,807.79	5,485.15
Provision for Compensated Absences	4,960.81	5,060.91	3,453.13
As per Balance Sheet	<u><u>13,621.73</u></u>	<u><u>13,868.69</u></u>	<u><u>8,938.28</u></u>
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Note:14			
Other non-financial liabilities			
Income received in advance	-	8,840.93	31,593.97
Other non-financial liabilities including statutory dues and expenses provisions	62,439.00	51,225.97	8,445.39
As per Balance Sheet	<u><u>62,439.00</u></u>	<u><u>60,066.90</u></u>	<u><u>40,039.36</u></u>

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019
(All amount Rs. in Thousand, except for share data unless stated otherwise)

	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Note:15						
Equity Share capital						
Authorised:						
Equity Shares of face value of Rs. 10 each	17,00,00,000	17,00,000.00	17,00,00,000	17,00,000.00	8,00,00,000	8,00,000.00
Issued, subscribed and paid up						
Equity Shares of face value of Rs. 10 each fully paid up	17,00,00,000	17,00,000.00	17,00,00,000	17,00,000.00	7,00,00,000	7,00,000.00
As per Balance Sheet		17,00,000.00		17,00,000.00		7,00,000.00

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
Equity Shares	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at beginning of the reporting year	17,00,00,000	17,00,000.00	7,00,00,000	7,00,000.00	7,00,00,000	7,00,000.00
Shares issued during the year	-	-	10,00,00,000	10,00,000.00	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at end of the reporting year	17,00,00,000	17,00,000.00	17,00,00,000	17,00,000.00	7,00,00,000	7,00,000.00

b. Terms/ rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

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

c. Detail of Shareholders holding 5% or more shares:

	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
No. of shareholders	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of face value of Rs. 10 each fully paid up						
The entire share capital is held by Indiabulls Housing Finance Limited ("the holding Company") and its nominees	17,00,00,000	100%	17,00,00,000	100%	7,00,00,000	100%

As per records of the Company, including its register of members/shareholders, and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

d. Employees stock option plans: (Refer Note: 41)

Note:16
Other Equity

Description	Reserves and Surplus	Items of other comprehensive income	Total
	Retained earnings		
Balance as at April 01, 2017	9,776.83	317.00	10,093.84
Profit for the year	11,298.32	-	11,298.32
Remeasurements of the defined benefit plans through Other Comprehensive Income (net of tax)	-	628.31	628.31
Transfer from Items of other comprehensive income to Retained earnings	628.31	(628.31)	-
Change in fair value of equity instrument carried at fair value through other comprehensive income (net of tax)	-	354.81	354.81
Balance as at March 31, 2018	21,703.46	671.81	22,375.28
Profit for the year	30,512.07	-	30,512.07
Remeasurements of the defined benefit plans through Other Comprehensive Income (net of tax)	-	1,917.54	1,917.54
Transfer from Items of other comprehensive income to Retained earnings	1,917.54	(1,917.54)	-
Change in fair value of equity instrument carried at fair value through other comprehensive income (net of tax)	-	305.59	305.59
Balance as at March 31, 2019	54,133.07	977.41	55,110.47

(a) Retained earnings

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

(b) Other reserves

Changes in the fair value of financial instruments measured at fair value through other comprehensive income and actuarial gains and losses on defined benefit plans are recognised in other comprehensive income (net of taxes), and presented within equity in other reserves.

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019
(All amount Rs. in Thousand, except for share data unless stated otherwise)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Note:17		
Fees and commission income:		
Management fees from Mutual fund	83,392.96	1,61,052.87
Management fees from Alternative investment fund	2,28,980.70	2,02,367.54
Management fees from portfolio manager service	66,875.27	53,772.51
As per Statement of Profit and Loss	<u>3,79,248.93</u>	<u>4,17,192.92</u>

	For the year ended March 31, 2019	For the year ended March 31, 2018
Note:18		
Net gain on fair value changes		
Profit on redemption of Units of Mutual Funds	44,956.31	43,784.32
Unrealised Gain on Units of Mutual Funds	27,954.09	-
As per Statement of Profit and Loss	<u>72,910.40</u>	<u>43,784.32</u>

	For the year ended March 31, 2019	For the year ended March 31, 2018
Note:19		
Other Income		
Interest on Income tax Refund	3,245.64	-
Miscellaneous Income	7.98	10.48
Balance written back	239.82	1,296.87
Interest on real estate fund	22,438.11	10,473.91
Reversal of provision for compensated absences	100.10	-
As per Statement of Profit and Loss	<u>26,031.66</u>	<u>11,781.25</u>

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019
(All amount Rs. in Thousand, except for share data unless stated otherwise)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Note:20		
Finance Costs		
Interest on Taxes	16.04	12.43
As per Statement of Profit and Loss	16.04	12.43

	For the year ended March 31, 2019	For the year ended March 31, 2018
Note:21		
Net loss on fair value changes		
Unrealised Loss on Units of Mutual Funds	-	10,672.85
As per Statement of Profit and Loss	-	10,672.85

	For the year ended March 31, 2019	For the year ended March 31, 2018
Note:22		
Employee Benefits Expenses		
Salaries	1,89,656.34	1,80,754.19
Contribution to Provident Fund and Other Funds	948.89	189.79
Staff Welfare Expenses	401.32	312.08
Gratuity Expense	3,733.88	4,193.11
Compensated absences Expense	-	1,607.78
As per Statement of Profit and Loss	1,94,740.43	1,87,056.95

	For the year ended March 31, 2019	For the year ended March 31, 2018
Note:23		
Other Expenses		
Advertisement	3,059.83	13,194.03
Recruitment Expenses	7,566.14	2,287.67
Repairs and Maintenance others	5,316.76	4,609.73
Printing and Stationery	3,195.62	5,072.03
Rent	1,286.33	2,002.33
Statutory Fees	4,712.49	9,351.99
Communication Expenses	1,303.72	2,138.36
Traveling and Conveyance	4,440.57	4,404.73
Legal and Professional Charges	48,970.76	41,189.57
Business Promotion	8,669.75	6,663.36
Auditors' remuneration :		
As Statutory Auditor	150.00	150.00
CSR Expenses	5.00	-
Miscellaneous Expenses	27.19	74.63
Director's sitting fees*	1,253.50	163.50
Fund expenses	1,41,598.92	1,60,014.40
Subscription charges	3,953.69	1,570.71
As per Statement of Profit and Loss	2,35,510.25	2,52,887.05

*including Rs. 654,000 (Previous year Rs. Nil paid to Directors of Trustee Company)

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019
(All amount Rs. in Thousand, except for share data unless stated otherwise)

Note:24	For the year ended March 31, 2019	For the year ended March 31, 2018
Income tax expenses		
Tax expense comprises of:		
Current tax (including earlier years)	9,509.60	12,231.55
Less: minimum alternative tax credit entitlement (including earlier years)	(5,339.02)	-
Deferred tax charge/(credit)	<u>7,527.26</u>	<u>(4,124.42)</u>
Income tax expense reported in the statement of profit and loss	<u>11,697.84</u>	<u>8,107.13</u>
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Accounting profit/(loss) before tax from continuing operations	<u>42,209.90</u>	<u>19,405.45</u>
Accounting profit/(loss) before income tax	<u>42,209.90</u>	<u>19,405.45</u>
At India's statutory income tax rate	27.82%	27.55%
Computed expected tax expense	11,742.79	5,346.69
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact of disallowances under the Income Tax Act,1961 u/s 40A(7)	698.21	2,070.78
Tax impact of disallowances under the Income Tax Act,1961 u/s 43B	(27.85)	885.97
Tax impact of depreciation expense	(402.22)	131.08
Tax impact of expenses disallowed/allowed as deductible	(62.83)	1,874.43
Tax impact on income taxable at the time of its realisation	(7,776.83)	2,940.64
Tax impact on difference of book profit and income tax on capital gain of Mutual Fund	-	(1,018.03)
Tax impact of deduction u/s 80G	(0.70)	-
Deferred tax impact on temporary differences	<u>7,527.26</u>	<u>(4,124.42)</u>
Income tax expense	<u>11,697.84</u>	<u>8,107.13</u>
Effective tax rate	27.71%	41.78%

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note:25

As per the best estimate of the management, no provision is required to be made as per Indian Accounting Standard 37- Provisions, Contingent Liabilities and Contingent Assets as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.

Note:26

In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at March 31, 2019 have a value on realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the balance sheet and no provision is required to be made against the recoverability of these balances.

Note:27

The Company has not entered into any derivative instruments during the year. The Company does not have any foreign currency exposures as at March 31, 2019 (March 31, 2018: Rs. Nil, April 1, 2017: Rs. Nil).

Note:28

Changes in capital structure:

In pursuance of Section 97 and other applicable provisions, if any, of the Companies Act, 1956, members of the Company in their meeting held on August 23, 2013 granted their approval for increase in the authorised share capital from Rs. 150,000,000/- to Rs. 160,000,000/-, divided in to 16,000,000 equity shares of face value of Rs.10 each and subsequently, on December 18, 2013, granted their approval for increase in the authorised share capital from Rs. 160,000,000/- to Rs. 210,000,000/-, divided in to 21,000,000 equity shares of face value of Rs.10 each.

Consequent upon the increase in share capital, on October 24, 2013 and December 18, 2013, members of the Company, at their meetings held on October 24, 2013 and December 18, 2013 respectively granted their approval and the Company issued and allotted 1,000,000 and 5,000,000 equity shares respectively of face value Rs. 10 per share to its Holding Company, Indiabulls Housing Finance Limited ("IHFL").

In pursuance of Section 61(1) and other applicable provisions, if any, of the Companies Act, 2013, members of the Company in their meeting held on July 02, 2014 granted their approval for increase in the authorised share capital from Rs. 210,000,000 to Rs. 600,000,000, divided in to 60,000,000 equity shares of face value of Rs.10 each and subsequently, on September 24, 2014, granted their approval for increase in the authorised share capital from Rs. 600,000,000 to Rs. 700,000,000, divided in to 70,000,000 equity shares of face value of Rs.10 each.

Consequent upon the increase in authorized share capital, on July 02, 2014 and September 24, 2014, members of the Company, at their extra ordinary general meetings held on July 11, 2014 and October 29, 2014 respectively granted their approval and the Company issued and allotted 39,000,000 and 10,000,000 equity shares respectively of face value Rs. 10 per share to its Holding Company, Indiabulls Housing Finance Limited ("IHFL").

In pursuance of Section 61(1) and other applicable provisions, if any, of the Companies Act, 2013, members of the Company in their meeting held on December 22, 2015 granted their approval for increase in the authorised share capital from Rs. 700,000,000 to Rs. 800,000,000, divided in to 80,000,000 equity shares of face value of Rs.10 each.

In pursuance of Section 61(1) and other applicable provisions, if any, of the Companies Act, 2013, members of the Company in their meeting held on August 11, 2017 granted their approval for increase in the authorised share capital from Rs. 800,000,000 to Rs. 1,700,000,000, divided in to 170,000,000 equity shares of face value of Rs.10 each.

Consequent upon the increase in authorized share capital, on August 11, 2017, members of the Company, at their extra ordinary general meetings held on August 22, 2017 and October 16, 2017 granted their approval and the Company issued and allotted 50,000,000 equity shares and 50,000,000 equity shares respectively of face value Rs. 10 per share to the Holding Company, Indiabulls Housing Finance Limited ("IHFL") . As a result, the paid up equity share capital of the Company increased to Rs. 1,700,000,000 divided into 170,000,000 equity share of Rs. 10 each fully paid up.

Note:29

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

Note:30

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

(b) There are no capital and other commitments to be reported as at March 31, 2019 (March 31, 2018: Rs. Nil & April 1, 2017: Rs. Nil).

Note:31

In respect of amounts as mentioned under Section 124 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as on March 31, 2019 (March 31, 2018: Rs. Nil & April 1, 2017: Rs. Nil).

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note:32

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1,2017
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. This has been relied upon by the auditors.

Note - 33

First time adoption of Ind AS

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

The accounting policies set out in Note: 2 have been applied in preparing the financial statements for the year ending 31 March 2019, the comparative information presented in these financial statements for the year ended 31 March 2018 and in the preparation of an opening Ind AS balance sheet at 1 April 2017 (the Company's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Ind AS optional exemptions

1. Deemed cost for property, plant and equipment and intangible assets

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

2. 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.

B. Ind AS mandatory exceptions

1. Estimates

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

Ind AS estimates as at 1 April 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- a) 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 measurement exemption applies for financial liabilities as well.

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

- a) The effects of the retrospective application or retrospective restatement are not determinable; a)
- b) The retrospective application or restatement requires assumptions about what management's intent would have been in that period;

The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 33 (continued)

C.Reconciliations between previous GAAP and Ind AS

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

1.Reconciliation of total equity as at March 31, 2018 and April 01, 2017

	Amount (Rs.in Thousand)	
	As at March 31, 2018	As at April 01, 2017
Total equity (shareholder's funds) as per previous GAAP	17,24,620.84	7,04,990.55
Adjustments:		
Fair valuation of investments in Mutual Funds through Statement of Profit and Loss	(4,041.81)	6,631.03
Deferred tax impact on fair valuation of investments in Mutual Funds	1,124.43	(1,844.75)
Fair valuation of investments in Equity Instruments through Other Comprehensive Income	930.75	439.19
Deferred tax impact on fair valuation of investments in Equity Instruments	(258.93)	(122.18)
Total adjustments	(2,245.57)	5,103.28
Total equity (shareholder's funds) as per Ind AS	17,22,375.28	7,10,093.84

2 Reconciliation of total comprehensive income for the year

	Amount (Rs.in Thousand)	
		For the year ended March 31,2018
Profit after tax as per previous GAAP		19,630.29
Adjustments:		
Fair valuation of investments in Mutual Funds through Statement of Profit and Loss		(10,672.85)
Remeasurement of defined benefit obligations		(870.48)
Deferred tax impact		3,211.35
Total adjustments		(8,331.97)
Profit after tax as per Ind AS		11,298.32
Re-measurement (loss)/gain on defined benefit plans		870.48
Income tax relating to remeasurement on defined benefit plans		(242.17)
Change in fair value of equity instruments		491.56
Income tax relating to Change in fair value of equity instruments		(136.75)
Total comprehensive income as per Ind AS		12,281.44

3. Impact of Ind AS adoption on statement of cash flows for the year ended on March 31, 2018:

Particulars	Amount (Rs.in Thousand)		
	Previous GAAP*	Adjustments	Ind AS
Net cash flow from operating activities	(1,88,979.35)	-	(1,88,979.35)
Net cash flow from investing activities	(8,23,106.12)	-	(8,23,106.12)
Net cash flow from financing activities	10,00,000.00	-	10,00,000.00
Net increase/(decrease) in cash and cash equivalents	(12,085.47)	(0.00)	(12,085.47)
Cash and cash equivalents as at April 01, 2017	13,583.80	-	13,583.80
Cash and cash equivalent as at March 31, 2018	1,498.33	(0.00)	1,498.33

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

D.Notes to first time adoption

1. Fair valuation of investment

Under previous GAAP, investments are shown at cost. Under Ind AS, such instruments are to be evaluated under Ind AS 109 which requires the Company to account for such instruments either at amortised cost or fair value. Ind AS requires the Company to record the fair value gains or (losses) on FVOCI equity instruments in case of fair value instrument. Accordingly as at 31 March 2017 'Investments' has been increased with a corresponding adjustment to other comprehensive income.

2. Prior period errors

Under Ind AS, prior period errors need to be restated retrospectively and such restatement is made in the earliest comparative period presented and the amount of the adjustment is made in the opening balance of retained earnings of earliest year presented. As a result of this change, the profit for the year ended 31 March 2017 increased. There is no impact on the total equity as at 31 March 2017.

3. Remeasurement of post-employment benefit obligations

Under Ind AS, actuarial gains and losses on defined benefit plan liabilities and plan assets are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, such measurements were charged to profit or loss for the respective year. As a result of this change, the profit for the year ended 31 March 2017 decreased. There is no impact on the total equity as at 31 March 2017.

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 33 (continued)

4. Other comprehensive income

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

Note - 34

Financial instruments

A) Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Particulars	Note No.	Amount (Rs.in Thousand)		
		As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Financial assets measured at fair value				
Investments measured at				
Fair value through Statement of Profit and Loss	6	12,87,139.09	12,47,935.33	3,90,142.01
Fair value through Other Comprehensive Income	6	1,854.13	1,430.75	939.19
Financial assets measured at amortised cost				
Cash and cash equivalents	3	34,713.93	1,498.33	13,583.80
Trade receivables	4	2,34,951.43	2,51,232.96	1,01,484.12
Loans	5	3,000.00	3,000.00	3,000.00
Total		15,61,658.57	15,05,097.36	5,09,149.11
Financial liabilities measured at amortised cost				
Other financial liabilities	12	-	1,316.47	-
Total		-	1,316.47	-

B. Fair values hierarchy

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

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

Amount (Rs.in Thousand)

Particulars	Period	Level 1	Level 2	Level 3	Total
Assets					
Investments at fair value through Profit & Loss Account	March 31, 2019	12,87,139.09	-	-	12,87,139.09
Investment in units of Mutual Funds	March 31, 2018	12,47,935.33	-	-	12,47,935.33
	April 01, 2017	3,90,142.01	-	-	3,90,142.01
Investments at fair value through other comprehensive income					
Investment in equity investments	March 31, 2019	-	-	1,854.13	1,854.13
	March 31, 2018	-	-	1,430.75	1,430.75
	April 01, 2017	-	-	939.19	939.19

B.2 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial assets						
Cash and cash equivalents	34,713.93	34,713.93	1,498.33	1,498.33	13,583.80	13,583.80
Trade receivables	2,34,951.43	2,34,951.43	2,51,232.96	2,51,232.96	1,01,484.12	1,01,484.12
Loans	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
Total	2,72,665.36	2,72,665.36	2,55,731.29	2,55,731.29	1,18,067.92	1,18,067.92
Financial liabilities						
Other financial liabilities	-	-	1,316.47	1,316.47	-	-
Total	-	-	1,316.47	1,316.47	-	-

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 34

Financial instruments (continued)

The management assessed that fair values of cash and cash equivalents, trade receivables, loans and other financial liabilities approximate their respective carrying amounts, largely due to the short-term maturities of these instruments. The following methods and assumptions were used to estimate the fair values for other assets and liabilities:

- (i) Respective carrying amounts of cash and cash equivalents, largely due to the short term maturities of these instruments and close approximation to fair values.
- (ii) The management assessed that fair values of trade receivables, loans and other financial liabilities approximate their respective carrying amounts, largely due to the short-term maturities of these instruments.
- (iii) Use of net asset value for mutual funds on the basis of the statement received from investee party.
- (iv) Use of fair value per share for unquoted equity instruments on the basis of valuation certificate received from investee party.

Note - 35

i) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Company's risk are managed by a treasury department under policies approved by the board of directors. The board of directors provides written principles for overall risk management. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, investments, loans, trade receivables and other financial assets	Ageing analysis	Highly rated bank deposits and diversification of asset base and collaterals taken for assets
Liquidity risk	Borrowings, trade payables and other financial liabilities	Cash flow forecasts	Committed borrowing and other credit facilities and sale of loan assets (whenever required)
Market risk - foreign exchange	Financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract/hedging, if required
Market risk - interest rate	Variable rates borrowings and debt securities	Sensitivity analysis	Negotiation of terms that reflect the market factors
Market risk - security price	Investments in equity securities	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

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

A) Credit risk

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

a) Credit risk management

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

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

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

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	12 month expected credit loss
High credit risk	Trade receivables and security deposits	Life time expected credit loss or fully provided for

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

Assets are written off when there is no reasonable expectation of recovery. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 35 (continued)

Financial assets that expose the entity to credit risk*

Amount (Rs.in Thousand)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(i) Low credit risk			
Cash and cash equivalents	34,713.93	1,498.33	13,583.80
Trade Receivables	2,34,951.43	2,51,232.96	1,01,484.12
Loans	3,000.00	3,000.00	3,000.00
Investments	12,88,993.22	12,49,366.07	3,91,081.19
(ii) Moderate credit risk	-	-	-
(iii) High credit risk	-	-	-

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

Cash and cash equivalents

Credit risk related to cash and cash equivalents is managed by only accepting highly rated banks and diversifying accounts in different banks across the country.

Trade receivables

Credit risk related to trade receivables is managed by monitoring the recoverability of such amounts continuously.

Loans

Other financial assets measured at amortized cost include security deposits for business purposes. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

b) Credit risk exposure

i) Expected credit losses for financial assets

Amount (Rs.in Thousand)

As at March 31, 2019	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	34,713.93	-	34,713.93
Trade Receivables	2,34,951.43	-	2,34,951.43
Loans	3,000.00	-	3,000.00
Investments	12,88,993.22	-	12,88,993.22

Amount (Rs.in Thousand)

As at March 31, 2018	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	1,498.33	-	1,498.33
Trade Receivables	2,51,232.96	-	2,51,232.96
Loans	3,000.00	-	3,000.00
Investments	12,49,366.07	-	12,49,366.07

Amount (Rs.in Thousand)

As at April 1, 2017	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	13,583.80	-	13,583.80
Trade Receivables	1,01,484.12	-	1,01,484.12
Loans	3,000.00	-	3,000.00
Investments	3,91,081.19	-	3,91,081.19

B) Liquidity risk

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

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

(i) Financing arrangements: The Company did not have any borrowings/financing arrangements as at March 31, 2019, March 31, 2018 and April 1, 2017.

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 35 (continued)

B) Liquidity risk (continued)

(ii) Maturities of financial assets and liabilities

The tables below analyse the Company financial assets and liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows:

Amount (Rs.in Thousand)					
As at March 31, 2019	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Cash and cash equivalents	34,713.93	-	-	-	34,713.93
Trade receivables	2,34,951.43	-	-	-	2,34,951.43
Loans	-	-	3,000.00	-	3,000.00
Investments	12,88,993.22	-	-	-	12,88,993.22
Total undiscounted financial assets	15,58,658.58	-	3,000.00	-	15,61,658.58
Non-derivatives					
Other financial liabilities	-	-	-	-	-
Total undiscounted financial liabilities	-	-	-	-	-
Net undiscounted financial assets/(liabilities)	15,58,658.58	-	3,000.00	-	15,61,658.58

Amount (Rs.in Thousand)					
As at March 31, 2018	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Cash and cash equivalents	1,498.33	-	-	-	1,498.33
Trade receivables	2,51,232.96	-	-	-	2,51,232.96
Loans	-	-	3,000.00	-	3,000.00
Investments	12,49,366.07	-	-	-	12,49,366.07
Total undiscounted financial assets	15,02,097.36	-	3,000.00	-	15,05,097.36
Non-derivatives					
Other financial liabilities	1,316.47	-	-	-	1,316.47
Total undiscounted financial liabilities	1,316.47	-	-	-	1,316.47
Net undiscounted financial assets/(liabilities)	15,00,780.89	-	3,000.00	-	15,03,780.89

Amount (Rs.in Thousand)					
As at April 01, 2017	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Cash and cash equivalents	13,583.80	-	-	-	13,583.80
Trade receivables	1,01,484.12	-	-	-	1,01,484.12
Loans	-	-	3,000.00	-	3,000.00
Investments	3,91,081.19	-	-	-	3,91,081.19
Total undiscounted financial assets	5,06,149.11	-	3,000.00	-	5,09,149.11
Non-derivatives					
Other financial liabilities	-	-	-	-	-
Total undiscounted financial liabilities	-	-	-	-	-
Net undiscounted financial assets/(liabilities)	5,06,149.11	-	3,000.00	-	5,09,149.11

C) Market risk

a) Foreign currency risk

The Company has not entered into any foreign currency transactions and is not exposed to foreign exchange risk arising from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. The Company did not have any foreign currency receivables and payables as at March 31, 2019, March 31, 2018 and April 1, 2017.

b) Interest rate risk

i) Liabilities

Company does not have any interest rate risks and therefore sensitivity analysis has not been shown.

ii) Assets

Company does not have any assets in the nature of interest rate risks and therefore sensitivity analysis has not been shown.

c) Price risk

i) Exposure

The Company's 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, the Company diversifies its portfolio of assets.

ii) Sensitivity

As at March 31, 2019, March 31, 2018 and April 01, 2017, the Company did not have financial assets subject to price risk.

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 36

Capital management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to comply with externally imposed capital requirement and maintain strong credit ratings
- to provide an adequate return to shareholders

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

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

Particulars	Amount (Rs.in Thousand)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Net debt*	-	-	-
Total equity	17,55,110.47	17,22,375.28	7,10,093.84
Net debt to equity ratio	-	-	-

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

Note - 37

A) Explanation of transition to Ind AS

Reconciliation of total equity as at March 31, 2018

Particulars	Note No.	Amount (Rs.in Thousand)		
		As at March 31, 2018		
		Previous GAAP*	Effect of transition to Ind AS	Ind AS
Assets				
Financial Assets				
Cash and cash equivalents	3	1,498.33	-	1,498.33
Trade Receivables	4	2,51,232.96	-	2,51,232.96
Loans	5	3,000.00	-	3,000.00
Investments	6	12,52,477.14	(3,111.07)	12,49,366.07
		15,08,208.43	(3,111.07)	15,05,097.36
Non-financial Assets				
Current tax assets (Net)	7	25,666.39	-	25,666.39
Deferred tax assets (Net)	8	3,925.86	865.50	4,791.36
Property, Plant and Equipment	9	9,414.08	-	9,414.08
Other Intangible assets	10	764.68	-	764.68
Other non-financial assets	11	2,51,893.47	-	2,51,893.47
		2,91,664.48	865.50	2,92,529.98
Total Assets		17,99,872.91	(2,245.57)	17,97,627.34
Liabilities and Equity				
Liabilities				
Financial Liabilities				
Other financial liabilities	12	1,316.47	-	1,316.47
		1,316.47	-	1,316.47
Non-Financial Liabilities				
Provisions	13	13,868.69	-	13,868.69
Other non-financial liabilities	14	60,066.90	-	60,066.90
		73,935.59	-	73,935.59
Equity				
Equity Share capital	15	17,00,000.00	-	17,00,000.00
Other Equity	16	24,620.84	(2,245.57)	22,375.28
		17,24,620.84	(2,245.57)	17,22,375.28
Total Liabilities and Equity		17,99,872.91	(2,245.57)	17,97,627.34

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

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 37 (continued)

A) Explanation of transition to Ind AS (continued)

Reconciliation of total equity as at April 01, 2017

Particulars	Note No.	Amount (Rs.in Thousand)		
		As at April 01, 2017		
		Previous GAAP*	Effect of transition to Ind AS	Ind AS
Assets				
Financial Assets				
Cash and cash equivalents	3	13,583.80	-	13,583.80
Trade Receivables	4	1,01,484.11	0.01	1,01,484.12
Loans	5	3,000.00	-	3,000.00
Investments	6	3,84,010.98	7,070.22	3,91,081.19
		5,02,078.89	7,070.23	5,09,149.11
Non-financial Assets				
Current tax assets (Net)	7	13,311.46	-	13,311.46
Deferred tax assets (Net)	8	3,012.80	(1,966.93)	1,045.87
Property, Plant and Equipment	9	3,099.91	-	3,099.91
Other Intangible assets	10	904.43	-	904.43
Other non-financial assets	11	2,31,560.70	-	2,31,560.70
		2,51,889.31	(1,966.93)	2,49,922.38
Total Assets		7,53,968.19	5,103.29	7,59,071.49
Liabilities and Equity				
Liabilities				
Financial Liabilities				
Other financial liabilities	12	-	-	-
		-	-	-
Non-Financial Liabilities				
Provisions	13	8,938.28	-	8,938.28
Other non-financial liabilities	14	40,039.36	-	40,039.36
		48,977.64	-	48,977.64
Equity				
Equity Share capital	15	7,00,000.00	-	7,00,000.00
Other Equity	16	4,990.55	5,103.29	10,093.84
		7,04,990.55	5,103.29	7,10,093.84
Total Liabilities and Equity		7,53,968.19	5,103.29	7,59,071.49

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

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 37 (continued)

B) Reconciliation of total comprehensive income for the year ended March 31, 2018

Particulars	Note	Amount (Rs.in Thousand)		
		For the year ended March 31, 2018		
		Previous GAAP*	Effect of transition to Ind AS	Ind AS
(I) Revenue from operations				
(a) Fees and commission Income	17	4,17,192.92	-	4,17,192.92
(b) Net gain on fair value changes	18	43,784.32	-	43,784.32
Total Revenue from operations (a+b)		4,60,977.24	-	4,60,977.24
(II) Other Income	19	11,781.25	-	11,781.25
		11,781.25	-	11,781.25
(III) Total Income (I+II)		4,72,758.49	-	4,72,758.49
(IV) Expenses				
(a) Finance Costs	20	12.43	-	12.43
(b) Net loss on fair value changes	21	-	10,672.85	10,672.85
(c) Employee Benefits Expenses	22	1,86,186.47	870.48	1,87,056.95
(d) Depreciation, amortization and impairment		2,723.76	-	2,723.76
(e) Other expenses	23	2,52,887.05	-	2,52,887.05
(IV) Total Expenses (a+b+c+d+e)		4,41,809.71	11,543.33	4,53,353.04
(V) Profit / (Loss) before exceptional items and tax (III-IV)		30,948.78	(11,543.33)	19,405.45
(VI) Exceptional Items		-	-	-
(VII) Profit/(loss) before tax (V-VI)		30,948.78	(11,543.33)	19,405.45
(VIII) Tax Expense:	24			
(1) Current Tax		12,231.55	-	12,231.55
(2) MAT Credit Entitlement		-	-	-
Net Current tax		12,231.55	-	12,231.55
(3) Deferred Tax		(913.06)	(3,211.35)	(4,124.42)
Income tax expense		11,318.49	(3,211.35)	8,107.13
(IX) Profit/(loss) for the year from continuing operations (VII-VIII)		19,630.29	(8,331.97)	11,298.32
(X) Profit/(loss) from discontinued operations		-	-	-
(XI) Tax expense of discontinued operations		-	-	-
(XII) Profit/(loss) from discontinued operations after tax (X-XI)		-	-	-
(XIII) Profit/(loss) for the year (IX+XII)		19,630.29	(8,331.97)	11,298.32
(XIV) Other Comprehensive Income				
(A) Items that will not be reclassified to profit or loss				
Re-measurement gains/(losses) on defined benefit plans		-	870.48	870.48
Income tax relating to items that will not be reclassified to profit or loss		-	(242.17)	(242.17)
Subtotal (A)		-	628.31	628.31
(B) Items that will be reclassified to profit or loss				
Change in fair value of equity instrument carried at fair value through other comprehensive income		-	491.56	491.56
Income tax relating to items that will be reclassified to profit or loss		-	(136.75)	(136.75)
Subtotal (B)		-	354.81	354.81
Other Comprehensive Income (A+B)		-	983.12	983.12
(XV) Total Comprehensive Income for the year (XIII+XIV)		19,630.29	(7,348.85)	12,281.44

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 38

Employee benefits

Employee Benefits – Provident Fund, Employee State Insurance (ESIC), Gratuity and Compensated Absences disclosures as per Indian Accounting Standard (IndAS) 19 – Employee Benefits:

Defined contribution plans

Contributions are made to Government Provident Fund and Family Pension Fund, ESIC and other statutory funds which cover all eligible employees under applicable Acts. Both the employees and the Company make predetermined contributions to the Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee's salary. The Company has recognised an amount of Rs. 948,887 (March 31, 2018 Rs. 189,786) in the Statement of Profit and Loss towards Employers contribution for the above mentioned funds.

Defined benefit plans

Provision for unfunded Gratuity and Compensated Absences for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Pursuant to the issuance of the Indian Accounting Standard (IndAS) 19 on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

(A) Gratuity (non-funded)

Risks associated with plan provisions

Salary increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

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

Particulars	Amount (Rs.in Thousand)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Present value of obligation	8,660.92	8,807.79	5,485.15
Fair value of plan assets	-	-	-
Net obligation recognised in balance sheet as provision	8,660.92	8,807.79	5,485.15

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

Particulars	Amount (Rs.)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	3,042.89	3,097.68
Past service cost including curtailment gains/losses	-	692.28
Gains or Losses on Non routine settlements	-	-
Interest cost on defined benefit obligation	691.00	-
Interest income on plan assets	-	-
Net impact on profit (before tax)	3,733.88	3,789.95
Actuarial (gain)/loss recognised during the year	2,656.61	(870.48)
Amount recognised in the statement of profit and loss and other comprehensive income	6,390.49	2,919.47

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

Particulars	Amount (Rs.)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Present value of defined benefit obligation as at the beginning of year	8,807.79	5,485.15
Current service cost	3,042.89	3,097.68
Interest cost	691.00	403.16
Past service cost including curtailment gains/losses	-	692.28
Benefits paid	(1,224.15)	-
Actuarial loss/(gain) on obligation		
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	159.74	(539.23)
Actuarial (gain)/loss on arising from experience adjustment	(2,816.34)	(331.25)
Present value of defined benefit obligation as at the end of the year	8,660.92	8,807.79

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 38

Employee benefits (continued)

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

Particulars	Amount (Rs.)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Government of India Securities	-	-
State Government securities	-	-
High Quality Corporate Bonds	-	-
Equity Shares of listed companies	-	-
Property	-	-
Funds Managed by Insurer	-	-
Bank Balance	-	-
Total	-	-

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

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

(vi) Actuarial assumptions

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Discounting rate	7.65	7.80
Future salary increase	6.00	6.00
Retirement age (years)	60.00	60.00
Withdrawal rate		
Up to 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00
Weighted average duration	18.54	18.71

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

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

(vii) Sensitivity analysis for gratuity liability

Particulars	Amount (Rs.)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Impact of the change in discount rate		
Present value of obligation at the end of the year	8,660.92	8,807.79
- Impact due to increase of 0.50 %	(581.04)	(594.81)
- Impact due to decrease of 0.50 %	634.68	649.30
Impact of the change in salary increase		
Present value of obligation at the end of the year	8,660.92	8,807.79
- Impact due to increase of 0.50 %	641.85	657.58
- Impact due to decrease of 0.50 %	(592.36)	(607.20)

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

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

Maturity profile of defined benefit obligation	Amount (Rs.)	
	As at March 31, 2019	As at March 31, 2018
0 to 1 year	77.63	74.00
1 to 2 year	72.16	94.05
2 to 3 year	90.37	110.45
3 to 4 year	184.58	184.00
4 to 5 year	126.74	142.38
5 to 6 year	136.22	137.20
6 year onwards	7,973.23	8,065.70

The employer best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity is Rs. 4,984,21 Thousand (Previous year Rs. 5,350.40 Thousand) .

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 38

Employee benefits (continued)

(B) Compensated absences (non-funded)

Risks associated with plan provisions

Salary increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

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

Particulars	Amount (Rs.in Thousand)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Present value of obligation	4,960.81	5,060.91	3,453.13
Fair value of plan assets	-	-	-
Net obligation recognised in balance sheet as provision	4,960.81	5,060.91	3,453.13

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

Particulars	Amount (Rs.in Thousand)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	2,249.87	2,154.99
Past service cost including curtailment gains/losses	-	-
Gains or Losses on Non routine settlements	-	-
Interest cost on defined benefit obligation	405.36	253.81
Interest income on plan assets	-	-
Actuarial gain/(loss) recognised during the year	(2,755.32)	(801.02)
Net impact on profit (before tax)	(100.10)	1,607.78
Amount recognised in the statement of profit and loss and other comprehensive income	(100.10)	1,607.78

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

Particulars	Amount (Rs.in Thousand)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Present value of defined benefit obligation as at the beginning of year	5,060.91	3,453.13
Current service cost	2,249.87	2,154.99
Interest cost	405.36	253.81
Past service cost including curtailment gains/losses	-	-
Benefits paid	-	-
Actuarial loss/(gain) on obligation		
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	69.66	-
Actuarial (gain)/loss on arising from experience adjustment	(2,824.98)	(801.02)
Present value of defined benefit obligation as at the end of the year	4,960.81	5,060.91

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

Particulars	Amount (Rs.in Thousand)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Government of India Securities	-	-
State Government securities	-	-
High Quality Corporate Bonds	-	-
Equity Shares of listed companies	-	-
Property	-	-
Funds Managed by Insurer	-	-
Bank Balance	-	-
Total	-	-

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 38

Employee benefits (continued)

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

Particulars	Amount (Rs.in Thousand)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Fair value of plan assets at beginning of year	-	-
Actual return on plan assets	-	-
Employer's contribution	-	-
Benefits paid	-	-
Fair value of plan assets at the end of the year	-	-

(vi) Actuarial assumptions

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Discounting rate	7.65	7.80
Future salary increase	6.00	6.00
Retirement age (years)	60.00	60.00
Weighted average duration of PBO	18.64	18.71
Withdrawal rate		
Up to 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00
Leave		
Leave availment rate	5.00	5.00
Leave lapse rate while in service	-	-
Leave lapse rate on exit	-	-
Leave encashment rate while in service	-	-

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

(vii) Sensitivity analysis for gratuity liability

Particulars	Amount (Rs.in Thousand)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Impact of the change in discount rate		
Present value of obligation at the end of the year	4,960.81	5,060.91
- Impact due to increase of 0.50 %	(337.39)	(347.04)
- Impact due to decrease of 0.50 %	368.63	379.42
Impact of the change in salary increase		
Present value of obligation at the end of the year	4,960.81	5,060.91
- Impact due to increase of 0.50 %	372.80	384.28
- Impact due to decrease of 0.50 %	(343.96)	(354.26)

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

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

(viii) Maturity profile of defined benefit obligation

Particulars	Amount (Rs.in Thousand)	
	As at March 31, 2019	As at March 31, 2018
0 to 1 year	96.59	102.58
1 to 2 year	89.99	92.83
2 to 3 year	88.30	87.96
3 to 4 year	136.73	85.31
4 to 5 year	77.99	119.39
5 to 6 year	74.33	77.85
6 year onwards	4,396.89	4,494.98

The employer best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Compensated Absences is Rs. 2,993.23 Thousand (Previous year Rs. 2,629.67 Thousand) .

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 39

Segment reporting:

The Company operates in a single operating segment of acting as an investment manager to Indiabulls Mutual Fund ("the Fund") (including providing administrative services to the Fund and to the Trustee Company). Accordingly, there are no separate reportable segments as per IND-AS 108 dealing with Operating Segment. No further disclosures are required in respect of reportable segments, other than those already provided in the financial statements.

Note - 40

Related party disclosures

(a) Names of related parties identified in accordance with IND AS -24 "Related Party Disclosures" (with whom there were transactions during the year)

The Company's principal related parties consist of its holding company, Indiabulls Housing Finance Limited and its subsidiaries, affiliates and key managerial personnel. The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business.

Description of relationship	Names of related parties
(i) Where control exists	
Holding Company	Indiabulls Housing Finance Limited
	Indiabulls Insurance Advisors Limited
	Nilgiri Financial Consultants Limited
	(Subsidiary of Indiabulls Insurance Advisors Limited)
	Indiabulls Advisory Services Limited
	Indiabulls Asset Holding Company Limited
	Ibolls Sales Limited
	Indiabulls Commercial Credit Limited#
	(Formerly known as Indiabulls Infrastructure credit Limited)
Fellow Subsidiary Companies (including step down subsidiaries)/ Entities under common control	Indiabulls Asset Management Mauritius (with effect from July 18,2016)
	(Subsidiary of Indiabulls Commercial Credit Limited)
	Indiabulls Capital Services Limited
	Indiabulls Life Insurance Company Limited (up to December 8,2017)
	Indiabulls Trustee Company Limited
	Indiabulls Collection Agency Limited
	Indiabulls Venture Capital Management Company Limited
	(Subsidiary of Indiabulls Holdings Limited)
	Indiabulls Venture Capital Trustee Company Limited (up to March 08, 2019)
	(Subsidiary of Indiabulls Holdings Limited)
	Indiabulls Holdings Limited
ii) Other related parties	
Associate of Holding Company	Acorn OakNorth Holdings Limited
	(formerly known as OakNorth Holdings Limited)
Key Management Personnel	Mr Raghav Narasimhan Iyenger -Whole time Director and Chief Executive Officer (
	with effect from August 6 ,2018)
	Mrs.Rekha Gopal Warriar (with effect from June 29,2018)
	Mr. Girish Chandra Srivastava – Director
	Mr. Ashok Brijmohan Kacker – Director (up to January 28, 2019)
	Mr. Akshay Gupta– Director and Chief Executive Officer (up to August 4, 2018)
	Mr. Satish Virmani-Chief Financial Officer
	Mr. Rabindra Kumar Pathak-Company Secretary (with effect from October 01, 2017)
	Mr. Ajit Kumar Singh (up to September 30, 2017)

#The Board of Directors of Indiabulls Finance Company Private Limited ("IFCPL") and Indiabulls Commercial Credit Limited ("ICCL") (formerly Indiabulls Infrastructure Credit Limited) at their meeting held on April 16, 2015 had approved, the merger of IFCPL, on an ongoing basis, into ICCL, pursuant to and in terms of the provisions of Section 391 – 394 of the Companies Act, 1956, as amended from time to time. The appointed date of the proposed merger fixed under the Scheme was April 01, 2015. The Hon'ble High Court of Delhi, vide its order dated March 15, 2016, received by ICCL on March 31, 2016, approved the Scheme (Order). In terms of the court approved Scheme, with the filing of the copy of the Order, on March 31, 2016 with the office of ROC, NCT of Delhi & Haryana (the Effective Date), the Scheme came into effect and IFCPL, as a going concern, stands amalgamated with ICCL with effect from the Appointed Date, being April 01, 2015. Subsequently the Board of Directors of ICCL, on March 31, 2016, issued and allotted Equity Shares of ICCL to the holders of Equity Shares of IFCPL, in the ratio of 3:1 i.e. the Share Exchange Ratio, fixed under the Scheme.

(b) The nature and volume of transactions carried out with the above related parties in the ordinary course of business are as follows :

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 40

Related party disclosures (continued)

(c) Significant transactions with related parties:

Nature of Transactions	Amount (Rs.in Thousand)		
	Holding company	Key Management Personnel	Total
Finance			
Issue of equity shares	-	-	-
	<i>10,00,000.00</i>	-	<i>10,00,000.00</i>
Expenses			
Director's sitting fee	-	599.50	599.50
	-	<i>163.50</i>	<i>163.50</i>

Previous year figures stated in italics

(d) Statement of material transactions:

Particulars	Amount (Rs.in Thousand)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Issue of equity shares		
Indiabulls Housing Finance Limited	-	10,00,000.00
Expenses		
Director's sitting fee		
Mr Girish Chandra Srivastva	272.50	163.50
Mrs Rekha Gopal Warriar	327.00	-

(e) Balances outstanding at year end: Rs. Nil (March 31, 2018 Rs. Nil, April 01, 2017 Rs. Nil)

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Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 41

Employees Stock Options Plans of Indiabulls Housing Finance Limited ("the Holding Company" "IHFL"):

(i) Grants During the Year:

The Compensation Committee constituted by the Board of Directors of the Holding Company has, at its meeting held on March 09, 2019, granted, 10,000,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 702, being the then latest available closing market price on the National Stock Exchange of India Ltd. as on March 8, 2019. These options vest with effect from the first vesting date i.e. March 10, 2020, and thereafter on each vesting date as per the vesting schedule provided in the Scheme.

(ii) The other disclosures in respect of the ESOS / ESOP Schemes are as under:-

Particulars	IHFL-IBFSL Employees Stock Option – Plan II – 2006	IHFL-IBFSL Employees Stock Option – 2008	IHFL ESOS - 2013	IHFL ESOS - 2013	IHFL ESOS - 2013	IHFL ESOS - 2013	IHFL-IBFSL Employees Stock Option – 2008 -Regrant	IHFL-IBFSL Employees Stock Option – 2008-Regrant	IHFL-IBFSL Employees Stock Option Plan – 2006 - Regrant	IHFL-IBFSL Employees Stock Option – 2008 -Regrant	IHFL-IBFSL Employees Stock Option Plan II – 2006 - Regrant
Total Options under the Scheme	7,20,000	75,00,000	3,90,00,000	3,90,00,000	3,90,00,000	3,90,00,000	N.A.	N.A.	N.A.	N.A.	N.A.
Total Options issued under the Scheme	7,20,000	75,00,000	1,05,00,000	1,05,00,000	1,00,000	1,00,00,000	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Period and Percentage	Four years, 25% each year	Ten years, 15% First year, 10% for next eight years and 5% in last year	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year	N.A.	N.A.	N.A.	N.A.	N.A.
First Vesting Date	1st November, 2008	8th December, 2009	12th October, 2015	12th August, 2018	25th March, 2019	10th March, 2020	31st December, 2010	16th July, 2011	27th August, 2010	11th January, 2012	27th August, 2010
Revised Vesting Period & Percentage	Nine years, 11% each year for 8 years and 12% during the 9th year	N.A.	N.A.	N.A.	N.A.	N.A.	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	100.00	95.95	394.75	1,156.50	1,200.40	702.00	125.90	158.50	95.95	153.65	100.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year (Nos.)	1,152	3,40,124	45,48,381	1,05,00,000	1,00,000	1,00,00,000	15,570	58,320	79,000	4,500	43,800
Regrant Addition	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Regrant Date	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	Dec 31, 2009	July 16, 2010	Aug 27, 2009	Jan 11, 2011	Aug 27, 2009
Options vested during the year (Nos.)	-	2,05,661	20,25,400	21,00,000	-	-	6,390	19,440	39,500	1,500	21,900
Exercised during the year (Nos.)	-	2,68,848	5,15,825	-	-	-	540	19,440	39,500	1,500	21,900
Expired during the year (Nos.)	-	-	-	-	-	-	-	-	-	-	-
Cancelled during the year	-	-	-	-	-	-	-	-	-	-	-
Lapsed during the year	-	600	7,000	1,63,500	1,00,000	-	-	-	-	-	-
Re-granted during the year	-	-	-	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Outstanding at the end of the year (Nos.)	1,152	70,676	40,25,556	1,03,36,500	-	1,00,00,000	15,030	38,880	39,500	3,000	21,900
Exercisable at the end of the year (Nos.)	1,152	70,676	20,07,156	20,67,300	-	-	8,640	-	-	-	-
Remaining contractual Life (Weighted Months)	31	52	58	76	N.A.	95	60	69	65	75	65

N.A - Not Applicable

(iii) The details of the Fair value of the options as determined by an Independent firm of Chartered Accountants, for the respective plans using the Black-Scholes Merton Option Pricing Model:-

Particulars	IHFL - IBFSL Employees Stock Option – 2008 Regrant	IHFL - IBFSL Employees Stock Option – 2008 Regrant	IHFL - IBFSL Employees Stock Option – 2006- Regrant	IHFL - IBFSL Employees Stock Option Plan II – 2006- Regrant	IHFL - IBFSL Employees Stock Option – 2008 Regrant	IHFL - IBFSL Employees Stock Option – 2008	IHFL ESOS - 2013 (Grant 1)	IHFL ESOS - 2013 (Grant 2)	IHFL ESOS - 2013 (Grant 3)	IHFL ESOS - 2013 (Grant 4)
Exercise price (Rs.)	125.90	158.50	95.95	100.00	153.65	95.95	394.75	1,156.50	1,200.40	702.00
Expected volatility*	99.61%	99.60%	75.57%	75.57%	99.60%	97.00%	46.30%	27.50%	27.70%	33.90%
Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Option Life (Weighted Average)	9.80 Years	9.80 Years	9.80 Years	9.80 Years	9.80 Years	11 Years	5 Years	3 Years	3 Years	3 Years
Expected Dividends yield	3.19%	2.89%	4.69%	4.50%	2.98%	4.62%	10.00%	5.28%	5.08%	7.65%
Weighted Average Fair Value (Rs.)	83.48	90.24	106.3	108.06	84.93	52.02	89.76	200.42	226.22	126.96
Risk Free Interest rate	7.59%	7.63%	7.50%	7.50%	7.63%	6.50%	8.57%	6.51%	7.56%	7.37%

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

(iv) 24,715,694 Equity Shares of Rs. 2 each (March 31, 2018: 15,690,847, April 1, 2017: 7,785,523) of IHFL are reserved for issuance towards Employees Stock options as granted.

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 42

Earnings per share:

	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Continuing operations		
Net Profit/(loss) for the year from continuing operations (Rs. In Thousand)	30,512.07	11,298.32
Weighted average number of equity shares for computation of Basic EPS	17,00,00,000	12,32,87,671
Basic earnings per share (In Rs.)	0.18	0.09
Weighted average number of equity shares for computation of Diluted EPS	17,00,00,000	12,32,87,671
Diluted earnings per share (In Rs.)	0.18	0.09
(b) Discontinuing operations		
Net Profit/(loss) for the year from discontinuing operations	-	-
Weighted average number of equity shares for computation of Basic EPS	17,00,00,000	12,32,87,671
Basic earnings per share (In Rs.)	-	-
Weighted average number of equity shares for computation of Diluted EPS	17,00,00,000	12,32,87,671
Diluted earnings per share (In Rs.)	-	-

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Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

Note - 43

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

As per our report of even date

Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N

For and on behalf of the Board of Directors of
Indiabulls Asset Management Company Limited

Sd/-
Rahul Mukhi
Partner
Membership No. 099719
New Delhi, April 16, 2019

Sd/-
Raghav Narasimhan Iyenger
Whole time Director
DIN : 07160750
New Delhi, April 16, 2019

Sd/-
Rekha Gopal Warriar
Director
DIN : 08152356

Sd/-
Rabindra Kumar Pathak
Company Secretary
New Delhi, April 16, 2019

Sd/-
Satish Virmani
Chief Financial Officer