

INDEPENDENT AUDITOR'S REPORT

To the Members of
Indiabulls Asset Management Company Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Indiabulls Asset Management Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2021, the profit and other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 ethical requirements that are relevant to our audit of the 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 Financial Statements.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Directors' report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the 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 Financial Statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other 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 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 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 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 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 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

2. 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 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 March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid / provided any remuneration to its directors during the year ended March 31, 2021.

(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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Sd/-
Rahul Mukhi
Partner
Membership No.099719
New Delhi, May 18, 2021
UDIN: 21099719AAAACO9720

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, 2021

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 is a service company and accordingly, it does not hold any inventories. Thus, clause 3 (ii) of the Order is 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. Thus, clause 3 (iii) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transactions in respect of loans, guarantees and security, covered under section 185 and 186 of the Companies Act, 2013. The Company has complied with the provisions of Section 186 of the Act, with respect to the investments made.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and Rules framed there under. Thus, clause 3 (v) of the Order is 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, goods and 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, though there has been a slight delay in a few cases pertaining to income tax and goods and service tax, which has been deposited by the Company along with interest. There are no arrears of outstanding statutory dues as at March 31, 2021 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 goods and 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) Based upon the audit procedures performed for the purpose of reporting on the true and fair view of the financial statements and according to the information and explanations given to us by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company 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, May 18, 2021
UDIN: 21099719AAAACO9720

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, 2021

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, 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Financial Statements 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 ICAI 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 with reference to these Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 over financial reporting with reference to these Financial Statements.

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, adequate internal financial controls over financial reporting with reference to these Financial Statements and such internal financial controls over financial reporting with reference to these Financial Statements were operating effectively as at March 31, 2021, 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, May 18, 2021
UDIN: 21099719AAAACO9720

Indiabulls Asset Management Company Limited**Balance Sheet as at March 31, 2021***All amounts in Rs. Lacs, unless otherwise stated*

	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	3	160.33	9.87
(b) Receivables			
Trade Receivables	4	2,069.04	2,341.47
(c) Loans	5	30.00	30.00
(d) Investments	6	19,266.31	15,198.94
(e) Other financial assets	7	416.02	156.19
(2) Non-financial Assets			
(a) Current tax assets (Net)	8	-	426.31
(b) Deferred tax assets (Net)	9	-	85.31
(c) Property, Plant and Equipment	10	80.28	127.32
(d) Other Intangible assets	11	168.20	252.53
(e) Other non-financial assets	12	960.68	1,662.57
Total Assets		23,150.86	20,290.51
LIABILITIES AND EQUITY			
(3) LIABILITIES			
(i) Financial Liabilities			
(a) Trade payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		14.40	13.04
(b) Other financial liabilities	14	0.97	-
(ii) Non-Financial Liabilities			
(a) Deferred tax liabilities (Net)	9	92.68	-
(b) Provisions	14	74.77	142.08
(c) Other non-financial liabilities	15	231.14	151.66
(d) Current tax liabilities (Net)	16	458.01	322.06
(4) EQUITY			
(a) Equity Share capital	17	17,000.00	17,000.00
(b) Other Equity	18	5,278.89	2,661.67
Total Liabilities and Equity		23,150.86	20,290.51

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date

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

Sd/-
Rahul Mukhi
Partner
Membership No. 099719
New Delhi, May 18, 2021

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

Sd/-
Ambar Maheshwari
Whole time Director
DIN : 08560996
Mumbai, May 18, 2021

Sd/-
Ajai Kumar
Director
DIN : 02446976

Sd/-
Ritu Kaushik
Company Secretary
Mumbai, May 18, 2021

Sd/-
Satish Virmani
Chief Financial Officer

Indiabulls Asset Management Company Limited
Statement of Profit and Loss for the year ended March 31, 2021
All amounts in Rs. Lacs, unless otherwise stated

Particulars	Note No.	For the year ended March 31,2021	For the year ended March 31,2020
I Revenue from operations			
(i) Fees and commission Income	19	3,753.48	4,744.30
(ii) Net gain on fair value changes	20	870.45	1,396.76
Total Revenue from operations (a+b)		4,623.93	6,141.06
II Other Income	21	794.81	338.78
III Total Income (I+II)		5,418.74	6,479.84
IV Expenses			
(i) Finance Costs	22	12.49	0.10
(ii) Net loss on fair value changes	23	-	278.60
(iii) Employee Benefits Expenses	24	613.02	1,808.33
(iv) Depreciation, amortization and impairment		134.51	115.48
(v) Other expenses	25	1,273.05	1,479.21
Total Expenses (IV)		2,033.07	3,681.72
V Profit / (Loss) before exceptional items and tax (III-IV)		3,385.67	2,798.12
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		3,385.67	2,798.12
VIII Tax Expense:	26		
(1) Current Tax		730.00	771.12
(2) Tax adjustment in respect of earlier years		(101.39)	-
Net Current tax		628.61	771.12
(3) Deferred Tax (credit)/expenses		168.39	(71.45)
Income tax expense		797.00	699.67
IX Profit/(loss) for the year from continuing operations (VII-VIII)		2,588.67	2,098.45
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)		2,588.67	2,098.45
XIV Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		36.66	10.82
Income tax relating to items that will not be reclassified to profit or loss		(9.23)	(2.72)
Subtotal (A)		27.43	8.10
(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		1.50	4.91
Income tax relating to items that will be reclassified to profit or loss		(0.38)	(0.88)
Subtotal (B)		1.12	4.03
Other Comprehensive Income (A+B)		28.55	12.13
XV Total Comprehensive Income for the year		2,617.22	2,110.58

Indiabulls Asset Management Company Limited
Statement of Profit and Loss for the year ended March 31, 2021 (continued)

XVI	Earnings per equity share :	41		
	(1) Basic (in INR)		1.52	1.23
	(2) Diluted (in INR)		1.52	1.23

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

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

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

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

Sd/-
Rahul Mukhi
Partner
Membership No. 099719
New Delhi, May 18, 2021

Sd/-
Ambar Maheshwari
Whole time Director
DIN : 08560996
Mumbai, May 18, 2021

Sd/-
Ajai Kumar
Director
DIN : 02446976

Sd/-
Ritu Kaushik
Company Secretary
Mumbai, May 18, 2021

Sd/-
Satish Virmani
Chief Financial Officer

Indiabulls Asset Management Company Limited
Statement of Cash flows for the year ended March 31,2021
All amounts in Rs. Lacs, unless otherwise stated

	For the year ended March 31, 2021	For the year ended March 31, 2020
A Cash flow from operating activities :		
Net Profit/ (loss) before tax	3,385.67	2,798.12
Adjustments for:		
Realised gain on financial instruments though profit or loss	(412.54)	(1,396.76)
Unrealised Gain on Units of Mutual Funds	(457.91)	-
Balance written back	(25.32)	-
Interest income	(701.37)	(328.80)
Unrealised loss on financial instruments though profit or loss	-	278.60
Provision for gratuity	14.15	38.96
Provision for compensated absences	(18.69)	(5.24)
Loss on Sale of Fixed Assets	8.82	-
Depreciation and amortization expense	134.51	115.48
Operating Profit/(Loss) before working capital changes	1,927.32	1,500.36
Changes in working capital:		
Trade Receivables	272.43	8.04
Other non-financial assets	701.89	315.55
Trade payables	1.36	(58.82)
Other financial liabilities	0.97	-
Provisions	(26.11)	(17.04)
Other non-financial liabilities	104.80	(400.87)
Cash used in operations	2,982.66	1,347.22
Direct taxes (paid)/refund (net)	(66.36)	(483.45)
Net cash generated from/(used in) operating activities	2,916.30	863.77
B Cash flow from investing activities		
(Purchase)/Sale of fixed assets-net	(11.96)	(187.71)
Interest received	441.54	172.61
Sale/ (Purchase) of Investments (net)	(3,195.42)	(1,185.94)
Net cash generated from/(used in) investing activities	(2,765.84)	(1,201.04)
C Cash flow from financing activities		
Net cash generated from/(used in) financing activities	-	-
D Net increase / (decrease) in cash and cash equivalents (A+B+C)	150.46	(337.27)
E Cash and cash equivalents at the beginning of the year	9.87	347.14
Cash and cash equivalents at the close of the year (D + E)		
F [Refer Note: 3]	160.33	9.87

This Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

The accompanying notes are an integral part of the financial statements

This is the Statement of Cash flows referred to in 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, May 18, 2021

Sd/-
Ambar Maheshwari
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Ajai Kumar
Director
DIN : 02446976

Sd/-
Ritu Kaushik
Company Secretary
Mumbai, May 18, 2021

Sd/-
Satish Virmani
Chief Financial Officer

Indiabulls Asset Management Company Limited
Statement of Changes in Equity for the year ended on March 31, 2021
All amounts in Rs. Lacs, unless otherwise stated

A. Equity Share Capital

Opening balance as at April 01, 2019	Changes in equity share capital during the year	Balance as at March 31, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
17,000.00	-	17,000.00	-	17,000.00

B. Other Equity

Description	Reserves and Surplus	Items of other comprehensive income	Total
	Retained earnings		
Balance as at April 01, 2019	541.32	9.77	551.09
Profit for the year	2,098.45	-	2,098.45
Remeasurements of the defined benefit plans through Other Comprehensive Income (net of tax)	-	8.10	8.10
Transfer from Items of other comprehensive income to Retained earnings	8.10	(8.10)	-
Change in fair value of equity instrument carried at fair value through other comprehensive income (net of tax)	-	4.03	4.03
Balance as at March 31, 2020	2,647.87	13.80	2,661.67
Profit for the year	2,588.67	-	2,588.67
Remeasurements of the defined benefit plans through Other Comprehensive Income (net of tax)	-	27.43	27.43
Transfer from Items of other comprehensive income to Retained earnings	27.43	(27.43)	-
Change in fair value of equity instrument carried at fair value through other comprehensive income (net of tax)	-	1.12	1.12
Balance as at March 31, 2021	5,263.97	14.92	5,278.89

The accompanying notes are an integral part of the financial statements

This is the Statement of Changes in Equity referred to in 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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New Delhi, May 18, 2021

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DIN : 02446976

Sd/-
Ritu Kaushik
Company Secretary
Mumbai, May 18, 2021

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, 2021
All amounts in Rs. Lacs, unless otherwise stated

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.

The financial statements for the year ended 31 March 2021 were authorized and approved for issue by the Board of Directors on May 18, 2021.

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 amortized 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.

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

iii) Use of estimates and judgements:

In preparing these Ind AS financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on its business operations and financial position, based on its review of current indicators of future economic conditions. The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

iv) Revenue recognition:

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115, Revenue from Contracts with Customers, to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers.

The Company principally generates revenue by providing asset management services to Indiabulls Mutual fund. The Company receives investment management fees from the mutual fund which is charged as a percent of the Assets Under Management (AUM) and is recognised on accrual basis. The maximum amount of management fee that can be charged is subject to applicable regulations. The contract includes a single performance obligation (series of distinct services) that is satisfied over time and the investment management fees earned are considered as variable consideration.

The Company provides portfolio management services and advisory services to its clients wherein a separate agreement is entered into with each client. The Company earns management fees which is generally charged as a percent of the Assets Under Management (AUM) and is recognised on accrual basis. The Company, in certain instances also has a right to charge performance fee to the clients if the portfolio achieves a particular level of performance as mentioned in the agreement with the client, to the extent permissible under applicable regulations. Generally, no upfront fee is charged to the clients. The contracts include a single performance obligation (series of distinct services) that is satisfied over time and the management fees and / or the performance fees earned are considered as variable consideration.

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

v) Scheme expenses & commission

Expenses incurred on behalf of schemes of Indiabulls Mutual Fund are recognised in the statement of profit and loss under Fee and Commission, Marketing, advertisement and publicity and scheme expenses unless considered recoverable from the schemes in accordance with the provisions of SEBI (Mutual Fund) Regulations, 1996. Expenses directly incurred for the schemes of Indiabulls Mutual Fund are charged to the statement of profit and loss under respective heads. New Fund Offer (NFO) expenses on the launch of schemes are borne by the Company and recognised in the Statement of Profit and Loss as and when incurred.

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
All amounts in Rs. Lacs, unless otherwise stated

Note 2 (continued):

vi) Leases:

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use Assets (ROU Assets)

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease Liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

c) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

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.

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) 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.

Note 2 (Continued):

xi) Financial instruments:

(a) Financial assets

Initial Recognition and Measurement

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

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.

Subsequent Measurement

Financial Assets measured at amortized 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 measured 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 measures 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.

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.

Impairment of Financial Assets

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.

Derecognition

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.

(b) Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to trade payables and other contractual liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Derecognition

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

xii) Investment in subsidiaries:

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

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
All amounts in Rs. Lacs, unless otherwise stated

Note 2 (Continued):

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 of 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.

(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.

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
All amounts in Rs. Lacs, unless otherwise stated

Note 2 (continued):

xix) Recent accounting pronouncements:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013.

The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or noncurrent.

Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

Specified format for disclosure of shareholding of promoters.

Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

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Indiabulls Asset Management Company Limited**Summary of significant accounting policies and other explanatory information as at March 31, 2021***All amounts in Rs. Lacs, unless otherwise stated*

	As at March 31, 2021	As at March 31, 2020
Note:3		
Cash and cash equivalents		
i) Cash on hand	0.12	0.05
ii) Balances with Banks :		
In Current accounts	160.21	9.82
As per Balance Sheet	<u><u>160.33</u></u>	<u><u>9.87</u></u>

	As at March 31, 2021	As at March 31, 2020
Note:4		
Trade Receivables		
- Unsecured, considered good	2,069.04	2,341.47
As per Balance Sheet	<u><u>2,069.04</u></u>	<u><u>2,341.47</u></u>

	As at March 31, 2021	As at March 31, 2020
Note:5		
Loans (at amortised cost)		
Security Deposit	30.00	30.00
As per Balance Sheet	<u><u>30.00</u></u>	<u><u>30.00</u></u>

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Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information as at March 31, 2021

	As at March 31, 2021	As at March 31, 2020
Note:6		
Investments		
A. At fair value through other comprehensive income:		
Investments in equity instruments (unquoted)		
MF Utilities India Private Limited	24.95	23.45
(500,000 (Previous year: 500,000) equity shares of face value of Rs. 1 each)		
B. At fair value through statement of profit and loss :		
1. Investment in units of Mutual Funds (unquoted)		
a) Indiabulls Blue Chip Fund Direct Growth	12.29	7.87
[No.of units 43,624.161 (Previous year : 43,624.161) NAV Rs. 28.1800 (Previous year Rs. 18.0400) per unit]		
b) Indiabulls Arbitrage Fund Direct Growth	27.47	26.75
[No.of units 185,857.496 (Previous year : 185,857.496) NAV Rs. 14.7809 (Previous year Rs. 14.3921) per unit]		
c) Indiabulls Banking & PSU Debt Fund - Direct Plan - Growth	-	372.66
[No.of units Nil (Previous year : 432,739.763) NAV Rs. Nil (Previous year Rs. 1,043.5083) per unit]		
d) Indiabulls Overnight Fund - Direct Plan - Growth	2,475.99	5,152.02
[No.of units 231,996.493 (Previous year : 497,002.879) NAV Rs. 1,067.2531 (Previous year Rs. 1,036.6180) per unit]		
e) Indiabulls Value Fund - Direct Plan - Growth	31.84	19.30
[No.of units 202,017.191 (Previous year : 202,017.191) NAV Rs. 15.7604 (Previous year Rs. 9.5537) per unit]		
f) Indiabulls Dynamic Bond Fund Direct Plan Growth	391.10	562.27
[No.of units 32,711.42 (Previous year: 50,000.000) NAV Rs. 1,195.6071 per unit (Previous year: Rs. 1,124.5332)]		
g) Indiabulls Savings Income Fund Direct Growth (Formerly Indiabulls Monthly Income Plan Direct Growth)	254.61	394.65
[No.of units 1,526,609.337 (Previous year: 2,753,904.379) NAV Rs. 16.6780 (Previous year : Rs. 14.3306) per unit]		
h) Indiabulls Savings Fund Direct Plan Growth	-	158.38
[No.of units Nil (Previous year: 14,191.142) NAV Rs. Nil per unit (Previous year: Rs. 1,116.0449)]		
i) Indiabulls Equity Hybrid Fund Direct Growth Plan	68.11	44.76
[No. of units 498,539.280 (Previous year: 498,539.280) NAV Rs. 13.6625 per unit (Previous year: Rs. 8.9782)]		
j) Indiabulls Ultra Short Term Fund-Direct Plan Growth	-	167.31
[No.of units Nil (Previous year: 8,337.833) NAV Rs. Nil (Previous year Rs. 2,006.6183)]		
k) Indiabulls Liquid Fund - Direct- Growth	275.66	70.63
[No.of units 13,740.225 (Previous year : 15,284.760) NAV Rs. 2,006.2611 (Previous year Rs. 1,939.3445) per unit]		
l) Indiabulls Income Fund - Direct - Growth	-	62.56
[No.of units Nil (Previous year : 353,089.533) NAV Rs. Nil (Previous year Rs. 17.7183) per unit]		
m) Indiabulls Short Term Fund - Direct-Growth	78.77	74.07
[No.of units 4259.119 (Previous year : 4,259.119) NAV Rs. 1849.5408 (Previous year Rs. 1738.9778) per unit]		
n) Indiabulls Tax Savings Fund Direct Growth	242.00	151.80
[No.of units 2,000,000.000 (Previous year: 2,000,000.000) NAV Rs. 12.1000 (Previous year Rs. 7.5900) per unit]		
2. Investment in units of Mutual Funds (quoted)		
Indiabulls Nifty50 Exchange Traded Fund - Growth Plan	514.41	298.00
[No.of units 340,290.000 (Previous year : 340,290.000) NAV Rs. 151.1678 (Previous yearRs. 87.5727) per unit]		

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information as at March 31, 2021

	As at March 31, 2021	As at March 31, 2020
Note:6 (Continued):		
3. Investment in Alternative Investment Fund (unquoted)		
a) Indiabulls Real Estate Fund Category II AIF	744.08	691.47
b) Indiabulls High Yield Fund	106.02	108.62
c) Indiabulls Dual Advantage Real Asset Fund	2,040.63	2,004.05
d) Indiabulls Dual Advantage Commercial Asset Fund	2,056.04	-
4. Investment in NCD/Bonds (quoted)		
a) Dhani Loans and Services Limited (Formerly Indiabulls Consumer Finance Limited) - IBCFL ZCB Series –I FV 1000 10OCT20 [No.of units Nil (Previous year: 450,000.000) NAV Rs. Nil (Previous year Rs. 1,068.516) per unit]	-	4,808.32
b) Indiabulls Real Estate Limited- NCD IBREL NCD 10.5%-12-11-2021 [No.of units 500.000 (Previous year: Nil) NAV Rs. 10,00.000.000 (Previous year Rs. Nil) per unit]	5,000.00	-
c) Indiabulls Housing Finance Limited-SRIICATI&II 8.75% NCD 26SP21 FV1000 LOA UP 25SP16 [No.of units 484,000.000 (Previous year: Nil) NAV Rs. 1017.012 (Previous year Rs. Nil) per unit]	4,922.34	-
As per Balance Sheet	19,266.31	15,198.94
Aggregate value of quoted and unquoted investments is as follows:		
Aggregate value of quoted investments	10,436.75	5,106.32
Aggregate value of unquoted investments	8,829.56	15,198.94
Investments outside India	-	-
Investments in India	19,266.31	15,198.94
	As at March 31, 2021	As at March 31, 2020
Note:7		
Other financial assets		
Interest accrued on NCD/Bonds	416.02	156.19
As per Balance Sheet	416.02	156.19

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information as at March 31, 2021

	As at March 31, 2021	As at March 31, 2020
Note:8		
Current tax assets (Net)		
Tax Deducted at Source	-	426.31
[Net of provision for taxation Rs. Nil (Previous year Rs. 505.45 lacs)]		
As per Balance Sheet	-	426.31
	As at March 31, 2021	As at March 31, 2020
Note:9		
Deferred tax (liabilities)/assets (Net)		
Deferred tax assets:		
Arising on account of temporary differences due to:		
Disallowance under Section 40A(7) of the Income Tax Act,1961	12.39	24.62
Disallowance under Section 43B of the Income Tax Act,1961	6.43	11.14
Fair valuation of financial instruments	-	5.29
	18.82	41.05
Deferred tax liabilities:		
Arising on account of temporary differences due to:		
Property, plant and equipment	1.17	9.13
Fair valuation of financial instruments	110.33	-
	111.50	9.13
MAT credit entitlement	-	53.39
As per Balance Sheet	(92.68)	85.31

Movement in deferred tax balances
March 31, 2021

Particulars	Balance as on April 01, 2020	Recognized in Profit and loss	Recognized in OCI	Balance as on March 31, 2021
Disallowance under Section 40A(7) of the Income Tax Act,1961	24.62	3.01	(9.23)	12.39
Disallowance under Section 43B of the Income Tax Act,1961	11.14	4.71	-	6.43
Property, plant and equipment and Other Intangible assets	(9.13)	(7.96)	-	(1.17)
Fair valuation of financial instruments	5.29	115.24	(0.38)	(110.33)
MAT credit entitlement	53.39	53.39	-	-
Total	85.31	168.39	(9.61)	(92.68)

March 31, 2020

Particulars	Balance as on April 01, 2019	Recognized in Profit and loss	Recognized in OCI	Balance as on March 31, 2020
Disallowance under Section 40A(7) of the Income Tax Act,1961	24.09	(3.25)	(2.72)	24.62
Disallowance under Section 43B of the Income Tax Act,1961	13.80	2.66	-	11.14
Property, plant and equipment and Other Intangible assets	(3.53)	5.60	-	(9.13)
Fair valuation of financial instruments	(70.29)	(76.46)	(0.88)	5.29
MAT credit entitlement	53.39	-	-	53.39
Total	17.46	(71.45)	(3.60)	85.31

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information as at March 31, 2021

Note:9

Deferred tax assets (Net) [continued]

*** Expiry date of minimum alternative tax credit**

Expiry financial year (as per Income tax Act)	As at March 31, 2021	As at March 31, 2020
1 April 2033 - 31 March 2034	-	53.39
Tax losses for which no deferred tax assets has been recognized:		
Expiry financial year (as per Income tax Act)		
Unused tax business losses		
1 April 2022 - 31 March 2023	-	373.50
1 April 2023 - 31 March 2024	-	89.63
Unused tax long-term capital losses		
1 April 2022 - 31 March 2023	59.62	59.62

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Indiabulls Asset Management Company Limited
Notes to the financial statements for the year ended March 31, 2021
All amounts in Rs. Lacs, unless otherwise stated

Note:10

Property, plant and equipment

Particulars	Leasehold improvements	Computers and printers	Furniture and fixtures	Motor vehicles	Office equipments	Total
Gross Block						
At April 1, 2019	9.21	47.64	4.99	79.13	4.09	145.06
Additions	-	5.79	0.28	68.96	0.28	75.31
Disposals	-	-	-	-	-	-
At March 31, 2020	9.21	53.43	5.27	148.09	4.37	220.37
Additions	-	-	-	-	-	-
Disposals	9.21	-	4.83	-	-	14.04
At March 31, 2021	-	53.43	0.44	148.09	4.37	206.33
Accumulated Depreciation						
At April 1, 2019	1.39	28.21	1.24	24.92	1.59	57.35
Charge for the year	0.92	12.75	0.70	20.40	0.93	35.70
Disposals	-	-	-	-	-	-
At March 31, 2020	2.31	40.96	1.94	45.32	2.52	93.05
Charge for the year	0.42	8.58	0.35	27.64	0.80	37.79
Disposals	2.73	-	2.06	-	-	4.79
At March 31, 2021	-	49.54	0.23	72.96	3.32	126.05
Net Block						
At March 31, 2020	6.90	12.47	3.33	102.77	1.85	127.32
At March 31, 2021	-	3.89	0.21	75.13	1.05	80.28

Note:11

Intangible assets

Particulars	Software	Total
Gross block		
At April 1, 2019	246.96	246.96
Additions	112.40	112.40
Disposals	-	-
At March 31, 2020	359.36	359.36
Additions	12.39	12.39
Disposals	-	-
At March 31, 2021	371.75	371.75
Amortization		
At April 1, 2019	27.05	27.05
Charge for the year	79.78	79.78
At March 31, 2020	106.83	106.83
Charge for the year	96.72	96.72
At March 31, 2021	203.55	203.55
Net block		
At March 31, 2020	252.53	252.53
At March 31, 2021	168.20	168.20

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information as at March 31, 2021
All amounts in Rs. Lacs, unless otherwise stated

	As at March 31, 2021	As at March 31, 2020
Note:12		
Other non-financial assets		
(unsecured, considered good)		
(a) Capital advances	8.33	8.65
(b) Prepaid expenses	918.98	1,647.52
(c) Balances with government authorities	24.42	4.31
(d) Other non-financial assets	8.95	2.09
As per Balance Sheet	960.68	1,662.57
	As at March 31, 2021	As at March 31, 2020
Note:13		
Trade payables		
(Refer Note: 34)		
(a) Total outstanding due to micro enterprises and small enterprises	-	-
(b) Total outstanding due to creditors other than micro enterprises and small enterprises	14.40	13.04
As per Balance Sheet	14.40	13.04
	As at March 31, 2021	As at March 31, 2020
Note:14		
Other financial liabilities		
Temporary Overdrawn Balances as per books	0.97	-
	0.97	-
	As at March 31, 2021	As at March 31, 2020
Note:14		
Provisions		
(Refer Note: 38)		
Provision for Gratuity	49.21	97.83
Provision for Compensated Absences	25.56	44.25
As per Balance Sheet	74.77	142.08
	As at March 31, 2021	As at March 31, 2020
Note:15		
Other non-financial liabilities		
Other non-financial liabilities including statutory dues and expenses payable	231.14	151.66
As per Balance Sheet	231.14	151.66

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information as at March 31, 2021
All amounts in Rs. Lacs, unless otherwise stated

	As at March 31, 2021	As at March 31, 2020
Note:16		
Current tax liabilities (Net)		
Provision for Taxation	458.01	322.06
[Net of self assessment tax, advance tax and tax deducted at source Rs. 1036.19 lacs (Previous year Rs. 449.06 lacs)]		
	458.01	322.06

	No. of Shares	As at March 31, 2021 Amount Rs. Lacs	No. of Shares	As at March 31, 2020 Amount Rs. Lacs
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Note:17
Equity Share capital

Authorised:				
Equity Shares of face value of Rs. 10 each	17,00,00,000	17,000.00	17,00,00,000	17,000.00

Issued, subscribed and paid up

Equity Shares of face value of Rs. 10 each fully paid up	17,00,00,000	17,000.00	17,00,00,000	17,000.00
As per Balance Sheet		17,000.00		17,000.00

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

Equity Shares	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount Rs. Lacs	No. of Shares	Amount Rs. Lacs
Shares outstanding at beginning of the reporting year	17,00,00,000	17,000.00	17,00,00,000	17,000.00
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at end of the reporting year	17,00,00,000	17,000	17,00,00,000	17,000

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:

No. of shareholders	As at March 31, 2021		As at March 31, 2020	
	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%

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. The Company has not issued any bonus shares during the current year and five years immediately preceding current year.

e. There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issue. The Company has not bought back shares during the last five years.

f. Employees stock option plans: (Refer Note: 42)

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information as at March 31, 2021
All amounts in Rs. Lacs, unless otherwise stated

Note:18
Other Equity:

Description	Reserves and Surplus	Items of other comprehensive income	Total
	Retained earnings		
Balance as at April 01, 2019	541.32	9.77	551.09
Profit for the year	2,098.45	-	2,098.45
Remeasurements of the defined benefit plans through Other Comprehensive Income (net of tax)	-	8.10	8.10
Transfer from Items of other comprehensive income to Retained earnings	8.10	(8.10)	-
Change in fair value of equity instrument carried at fair value through other comprehensive income (net of tax)	-	4.03	4.03
Balance as at March 31, 2020	2,647.87	13.80	2,661.67
Profit for the year	2,588.67	-	2,588.67
Remeasurements of the defined benefit plans through Other Comprehensive Income (net of tax)	-	27.43	27.43
Transfer from Items of other comprehensive income to Retained earnings	27.43	(27.43)	-
Change in fair value of equity instrument carried at fair value through other comprehensive income (net of tax)	-	1.12	1.12
Balance as at March 31, 2021	5,263.97	14.92	5,278.89

(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 recognized in other comprehensive income (net of taxes), and presented within equity in other reserves.

Indiabulls Asset Management Company Limited
Notes to the financial statements for the year ended March 31,2021
All amounts in Rs. Lacs, unless otherwise stated

	For the year ended March 31,2021	For the year ended March 31, 2020
Note:19		
Fees and commission income:		
Management fees	3,753.48	4,744.30
As per Statement of Profit and Loss	3,753.48	4,744.30

	For the year ended March 31,2021	For the year ended March 31, 2020
Note:20		
Net gain on fair value changes		
On financial instruments at fair value through profit or loss		
- Realised	412.54	1,396.76
- Unrealised	457.91	-
As per Statement of Profit and Loss	870.45	1,396.76
	For the year ended March 31,2021	For the year ended March 31, 2020

	For the year ended March 31,2021	For the year ended March 31, 2020
Note:21		
Other Income		
Interest on Income tax Refund	49.43	4.68
Miscellaneous Income	-	0.06
Balance written back	25.32	-
Interest on real estate funds/NCDs/Bonds	701.37	328.80
Provision for compensated absences written back (Refer Note: 38)	18.69	5.24
As per Statement of Profit and Loss	794.81	338.78
	For the year ended March 31,2021	For the year ended March 31, 2020

	For the year ended March 31,2021	For the year ended March 31, 2020
Note:22		
Finance Costs		
Interest on Taxes	12.49	0.10
As per Statement of Profit and Loss	12.49	0.10

Indiabulls Asset Management Company Limited
Notes to the financial statements for the year ended March 31,2021

	For the year ended March 31,2021	For the year ended March 31, 2020
Note:23		
Net loss on fair value changes		
On financial instruments at fair value through profit or loss		
- Unrealised	-	278.60
	<u>-</u>	<u>278.60</u>

	For the year ended March 31,2021	For the year ended March 31, 2020
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Note:24
Employee Benefits Expenses

Salaries	594.46	1,723.71
Contribution to Provident Fund and Other Funds	4.28	43.59
Staff Welfare Expenses	0.13	2.07
Gratuity and Compensated absences (Refer Note: 38)	14.15	38.96
	<u>613.02</u>	<u>1,808.33</u>
As per Statement of Profit and Loss	613.02	1,808.33

	For the year ended March 31,2021	For the year ended March 31, 2020
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Note:25
Other Expenses

Advertisement	6.96	103.47
Recruitment Expenses	-	4.90
Repairs and Maintenance others	23.11	74.11
Printing and Stationery	11.68	14.35
Statutory Fees	1.40	9.33
Communication Expenses	5.46	13.33
Traveling and Conveyance	6.59	41.18
Legal and Professional Charges	102.18	74.20
Business Promotion	0.13	29.24
Auditors' remuneration		
-As Statutory Auditor	1.50	1.50
CSR Expenses	3.92	-
Loss on Sale of Fixed Assets	8.82	-
Miscellaneous Expenses	0.11	0.62
Director's sitting fees*	8.72	5.45
Fund expenses	1,018.09	1,092.33
Subscription charges	74.38	15.20
	<u>1,273.05</u>	<u>1,479.21</u>
As per Statement of Profit and Loss	1,273.05	1,479.21

*including Rs. Nil (Previous year Rs. 0.54 lacs) paid to Directors of Trustee Company

Indiabulls Asset Management Company Limited
Notes to the financial statements for the year ended March 31,2021
Note:26
Income tax expenses

	For the year ended March 31,2021	For the year ended March 31, 2020
Tax expense comprises of:		
Current tax (including earlier years)	628.61	771.12
Deferred tax charge/(credit)	<u>168.39</u>	<u>(71.45)</u>
Income tax expense reported in the statement of profit and loss	<u>797.00</u>	<u>699.67</u>
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Accounting profit/(loss) before tax from continuing operations	<u>3,385.67</u>	<u>2,798.12</u>
Accounting profit/(loss) before income tax	<u>3,385.67</u>	<u>2,798.12</u>
At India's statutory income tax rate	25.168%	25.168%
Computed expected tax expense	852.11	704.23
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax effect of disallowances under the Income Tax Act,1961 u/s 40A(7)	(12.24)	2.82
Tax effect of disallowances under the Income Tax Act,1961 u/s 43B	(4.70)	(1.35)
Tax effect of expenses disallowed/allowed as deductible	8.72	(5.58)
Tax effect on (income)/loss taxable at the time of its realisation	(115.25)	70.12
Capital gain	1.37	0.88
Tax impact of earlier years	(101.39)	-
Tax impact of deduction u/s 80G	-	-
Deferred tax effect of temporary differences	<u>168.39</u>	<u>(71.45)</u>
Income tax expense	<u>797.01</u>	<u>699.67</u>
Effective tax rate	23.54%	25.01%

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Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
All amounts in Rs. Lacs, unless otherwise stated

Note:27

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:28

In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at March 31, 2021 have a value on realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the balance sheet and no provision is required to be made against the recoverability of these balances.

Note:29

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, 2021 (Previous year: Rs. Nil).

Note:30

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. 1500.00 lacs - to Rs. 1600.00 lacs-, 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. 1600.00 lacs to Rs. 2100.00 lacs, 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.2100.00 lacs to Rs. 6000.00 lacs, 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. 6000.00 lacs to Rs. 7000.00 lacs, 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. 7000.00 lacs to Rs. 8000.00 lacs, 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. 8000.00 lacs to Rs. 17,000.00 lacs, 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. 17,000.00 lacs divided into 170,000,000 equity share of Rs. 10 each fully paid up.

Note:31

There are no borrowing costs to be capitalised as at March 31, 2021 (Previous year: Rs. Nil).

Note:32

- (a) There are no contingent liabilities to be reported as at March 31, 2021 (Previous year: Rs. Nil).
(b) There are no capital and other commitments to be reported as at March 31, 2021 (Previous year: Rs. Nil).

Note:33

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, 2021 (Previous year: Rs. Nil).

Note:34

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

Particulars	As at March 31, 2021	As at March 31, 2020
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil	Nil
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

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Note - 35

Financial instruments:

A) Financial assets and liabilities

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

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
Financial assets measured at fair value			
Investments measured at			
(i) Fair value through other comprehensive income	6	24.95	23.45
(ii) Fair value through Statement of Profit and Loss	6	19,241.36	15,175.49
Financial assets measured at amortised cost			
Cash and cash equivalents	3	160.33	9.87
Trade receivables	4	2,069.04	2,341.47
Loans	5	30.00	30.00
Other financial assets	7	416.02	156.19
Total		21,941.70	17,736.47
Financial liabilities measured at amortised cost			
Trade payables	13	14.40	13.04
Other financial liabilities	14	0.97	-
Total		15.37	13.04

B. Fair values hierarchy

As per Ind AS 107, 'Financial Instruments: Disclosures', the fair values of the financial assets or financial liabilities are defined as the price that would be received on sale of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs. The three Levels are defined based on the observability of significant inputs to the measurement, 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

Particulars	Period	Level 1	Level 2	Level 3	Total
Assets					
Investments at fair value through Profit or Loss					
Investment in units of Mutual Funds/ Bonds/Alternative investments funds*	March 31, 2021	14,294.59	4,946.77	-	19,241.36
	March 31, 2020	12,371.35	2,804.14	-	15,175.49
Investments at fair value through other comprehensive income					
Investment in equity investments	March 31, 2021	-	-	24.95	24.95
	March 31, 2020	-	-	23.45	23.45

Fair value of cash and cash equivalents, trade & other receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to current

maturities of these instruments. Accordingly, fair value hierarchy for these financial instruments have not been presented above. Valuation techniques used to determine fair values are given below:

(i) Mutual Funds (including Alternative Investment Funds): Net Asset Value (NAV) declared by the respective mutual funds/ issuer fund at which units are issued or redeemed.

(ii) Debt securities: Quoted market rates.

(iii) Equity Instruments in Others: Use of fair value per share for unquoted equity instruments on the basis of valuation certificate received from investee party.

Fair value measurement using significant unobservable inputs (level 3)

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

Particulars	Amount
Balance as at April 01, 2019	18.54
Net gain / (losses) on Financial Instruments recognised in the Statement of Profit and Loss	-
Net gain / (losses) on Financial Instruments recognised in the Other Comprehensive Income	4.91
Purchases of Financial Instruments	-
Sales of Financial Instruments	-
Balance as at March 31, 2020	23.45
Net gain / (losses) on Financial Instruments recognised in the Statement of Profit and Loss	-
Net gain / (losses) on Financial Instruments recognised in the Other Comprehensive Income	1.50
Purchases of Financial Instruments	-
Sales of Financial Instruments	-
Balance as at March 31, 2021	24.95

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, 2021		As at March 31, 2020	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	160.33	160.33	9.87	9.87
Trade receivables	2,069.04	2,069.04	2,341.47	2,341.47
Loans	30.00	30.00	30.00	30.00
Other financial assets	416.02	416.02	156.19	156.19
Total	2,675.39	2,675.39	2,537.53	2,537.53
Financial liabilities				
Trade payables	14.40	14.40	13.04	13.04
Other financial liabilities	0.97	0.97	-	-
Total	15.37	15.37	13.04	13.04

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
All amounts in Rs. Lacs, unless otherwise stated

Note - 36

Financial Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. 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
Credit risk	Cash and cash equivalents, trade & other receivables, financial assets measured at amortised cost
Liquidity risk	Financial liabilities
Market risk - interest rate	Investments in debt securities
Market risk - security price	Investments in equity securities, units of mutual funds, debt securities measured at FVTPL and alternative investment funds

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, trade and other receivables and financial assets measured at amortised cost. Exposure to credit risk is mitigated through regular monitoring of collections, counterparty's creditworthiness and diversification in exposure.

Financial assets that expose the entity to credit risk*: The carrying amount of financial assets represents maximum amount of credit exposure. The maximum exposure to credit risk is as per the table below, it being total of carrying amount of cash and cash equivalent, trade and other receivables and financial assets measured at amortised cost.

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Low credit risk		
Cash and cash equivalents	160.33	9.87
Trade receivables	2,069.04	2,341.47
Loans	30.00	30.00
Other financial assets	416.02	156.19
(ii) Moderate credit risk	-	-
(iii) High credit risk	-	-

* These represent maximum exposure to credit risk in terms of gross carrying values of financial assets, without deduction for expected credit losses

Expected Credit Loss (ECL) on Financial Assets

The Company continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL (12mECL) or life time ECL (LTECL), the Company assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. The Company applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired:

- Historical trend of collection from counterparty
- Company's contractual rights with respect to recovery of dues from counterparty
- Credit rating of counterparty and any relevant information available in public domain

Trade and other receivables:

Exposures to customers' outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of collection from counterparties on timely basis reflects low level of credit risk. As the Company has a contractual right to such receivables as well as the control over such funds due from customers, the Company does not estimate any credit risk in relation to such receivables. Further, management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour.

Cash and Cash Equivalents

The Company holds cash and cash equivalents as per note 4. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be high.

Loans

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

Other financial assets

Other financial assets measured at amortized cost includes interest receivable. 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

As at March 31, 2021	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	160.33	-	160.33
Trade receivables	2,069.04	-	2,069.04
Loans	30.00	-	30.00
Investments	19,266.31	-	19,266.31
Other financial assets	416.02	-	416.02

As at March 31, 2020	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	9.87	-	9.87
Trade receivables	2,341.47	-	2,341.47
Loans	30.00	-	30.00
Investments	15,198.94	-	15,198.94
Other financial assets	156.19	-	156.19

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
All amounts in Rs. Lacs, unless otherwise stated

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Financial Risk Management (continued):

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 a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Company assesses the liquidity position under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. 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.

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:

As at March 31, 2021	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Non-derivatives					
Cash and cash equivalents	160.33	-	-	-	160.33
Trade receivables	2,069.04	-	-	-	2,069.04
Loans	30.00	-	-	-	30.00
Investments	15,038.67	-	106.02	4,121.62	19,266.31
Other financial assets	416.02	-	-	-	416.02
Total undiscounted financial assets	17,714.06	-	106.02	4,121.62	21,941.70
Non-derivatives					
Trade payables	14.40	-	-	-	14.40
Other financial liabilities	0.97	-	-	-	0.97
Total undiscounted financial liabilities	15.37	-	-	-	15.37
Net undiscounted financial assets/(liabilities)	17,698.69	-	106.02	4,121.62	21,926.33

As at March 31, 2020	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Cash and cash equivalents	9.87	-	-	-	9.87
Trade receivables	2,341.47	-	-	-	2,341.47
Loans	-	30.00	-	-	30.00
Investments	13,062.82	-	108.62	2,027.50	15,198.94
Other financial assets	156.19	-	-	-	156.19
Total undiscounted financial assets	15,570.35	30.00	108.62	2,027.50	17,736.47
Non-derivatives					
Trade payables	13.04	-	-	-	13.04
Total undiscounted financial liabilities	13.04	-	-	-	13.04
Net undiscounted financial assets/(liabilities)	15,557.31	30.00	108.62	2,027.50	17,723.43

C) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Company is exposed to market risk primarily related to interest rate risk and price risk.

a) Foreign currency risk

The Company does not have into any foreign currency denominated assets or liabilities as at March 31, 2021 and March 31, 2020. Accordingly, the Company is not exposed to foreign exchange risk.

b) Interest rate risk

Interest rate risk is the risk where the Company is exposed to the risk that fair value or future cash flows of its financial instruments will fluctuate as a result of change in market interest rates. Investment in Bonds held by the Company are at fixed rate of coupon and accordingly the Company does not perceive any interest rate risk.

c) Price risk

i) Exposure

The Company's exposure price risk arises from investments held and classified in the balance sheet either at 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.

The fair value of investment in mutual funds is Rs. 4372.25 lakhs and Rs.7563.03 lakhs as on March 31, 2021 and March 31, 2020 respectively. The Company is exposed to price risks arising from investment in mutual funds. The investments are made in acceptable funds, while optimizing the returns.

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Capital management:

Equity share capital and other equity are considered for the purpose of Company's 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.

The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The funding requirements are met through operating cash flows and other equity. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Particulars	As at March 31, 2021	As at March 31, 2020
Net debt*	-	-
Total equity	22,278.89	19,661.67
Net debt to equity ratio	-	-

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

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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. 3.74 lacs (March 31, 2020 Rs. 31.31 lacs) 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
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	As at March 31, 2021	As at March 31, 2020
Present value of obligation	49.21	97.83
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	49.21	97.83

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	9.13	31.41
Past service cost including curtailment gains/losses	-	-
Gains or Losses on Non routine settlements	-	-
Interest cost on defined benefit obligation	5.02	7.55
Interest income on plan assets	-	-
Net impact on profit (before tax)	14.15	38.96
Actuarial (gain)/loss recognised during the year	(36.66)	(10.82)
Amount recognised in the statement of profit and loss and other comprehensive income	(22.51)	28.14

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Present value of defined benefit obligation as at the beginning of year	97.83	86.61
Current service cost	9.13	31.41
Interest cost	5.02	7.55
Past service cost including curtailment gains/losses	-	-
Benefits paid	(26.11)	(16.92)
Actuarial loss/(gain) on obligation		
Actuarial (gain)/loss on arising from change in demographic assumption	-	0.03
Actuarial (gain)/loss on arising from change in financial assumption	(6.59)	11.93
Actuarial (gain)/loss on arising from experience adjustment	(30.07)	(22.78)
Present value of defined benefit obligation as at the end of the year	49.21	97.83

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
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	For the year ended March 31, 2021	For the year ended March 31, 2020
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 March 31, 2021	For the year ended March 31, 2020
Discounting rate	6.79	6.80
Future salary increase	5.00	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	17.73	18.25

Mortality rates inclusive of provision for disability -100% of IALM (2012-14) [Previous year: 100% of IALM (2012-14)]

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 (2012-14) [Previous year (2006-08)] Ultimate table.

Note - 38

Employee benefits (continued):

(vii) Sensitivity analysis for gratuity liability

Particulars	For the year ended March 31,2021	For the year ended March 31,2020
Impact of the change in discount rate		
Present value of obligation at the end of the year	49.21	97.83
- Impact due to increase of 0.50 %	(2.58)	(6.35)
- Impact due to decrease of 0.50 %	2.77	6.93
Impact of the change in salary increase		
Present value of obligation at the end of the year	49.21	97.83
- Impact due to increase of 0.50 %	2.80	6.95
- Impact due to decrease of 0.50 %	(2.63)	(6.43)

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	As at March 31, 2021	As at March 31, 2020
0 to 1 year	0.81	1.40
1 to 2 year	0.73	1.51
2 to 3 year	0.76	2.54
3 to 4 year	0.78	1.70
4 to 5 year	0.79	1.67
5 to 6 year	0.80	1.54
6 year onwards	44.54	87.47

The employer best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity is Rs. 14.67 lacs (Previous year Rs. 33.96 lacs) .

(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
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	As at March 31, 2021	As at March 31, 2020
Present value of obligation	25.56	44.25
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	25.56	44.25

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

Particulars	For the year ended March 31,2021	For the year ended March 31,2020
Current service cost	5.74	19.68
Past service cost including curtailment gains/losses	-	-
Gains or Losses on Non routine settlements	-	-
Interest cost on defined benefit obligation	2.33	3.97
Interest income on plan assets	-	-
Actuarial gain/(loss) recognised during the year	(26.76)	(28.89)
Net impact on profit (before tax)	(18.69)	(5.24)

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

Particulars	For the year ended March 31,2021	For the year ended March 31,2020
Present value of defined benefit obligation as at the beginning of year	44.25	49.61
Current service cost	5.74	19.68
Interest cost	2.33	3.97
Past service cost including curtailment gains/losses	-	-
Benefits paid	-	(0.12)
Actuarial loss/(gain) on obligation	-	-
Actuarial (gain)/loss on arising from change in demographic assumption	-	0.03
Actuarial (gain)/loss on arising from change in financial assumption	(3.48)	5.72
Actuarial (gain)/loss on arising from experience adjustment	(23.28)	(34.64)
Present value of defined benefit obligation as at the end of the year	25.56	44.25

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

Particulars	For the year ended March 31,2021	For the year ended March 31,2020
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	For the year ended March 31,2021	For the year ended March 31,2020
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	-	-

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Employee benefits (continued):

(vi) Actuarial assumptions

Particulars	For the year ended March 31,2021	For the year ended March 31,2020
Discounting rate	6.79	6.80
Future salary increase	5.00	6.00
Retirement age (years)	60.00	60.00
Weighted average duration of PBO	17.73	18.25
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%	5%
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 (2012-14) [Previous year: 100% of IALM (2006-08)]

(vii) Sensitivity analysis for gratuity liability

Particulars	For the year ended March 31,2021	For the year ended March 31,2020
Impact of the change in discount rate		
Present value of obligation at the end of the year	25.56	44.25
- Impact due to increase of 0.50 %	(1.47)	(2.88)
- Impact due to decrease of 0.50 %	1.56	3.12
Impact of the change in salary increase		
Present value of obligation at the end of the year	25.56	44.25
- Impact due to increase of 0.50 %	1.59	3.13
- Impact due to decrease of 0.50 %	(1.49)	(2.90)

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	As at March 31, 2021	As at March 31, 2020
0 to 1 year	0.50	0.79
1 to 2 year	0.41	0.80
2 to 3 year	0.41	1.37
3 to 4 year	0.40	0.75
4 to 5 year	0.40	0.72
5 to 6 year	0.40	0.71
6 year onwards	23.04	39.12

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. 8.74 lacs (Previous year Rs. 17.76 lacs) .

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

Note - 39

Segment reporting:

a) The Company operates in a single operating segment of acting as an investment manager to and providing asset management services to Indiabulls Mutual Fund ("the Fund") (including providing administrative services to the Fund and to the Trustee Company) and and portfolio management & advisory services to clients. 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..

b) Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM's function is to allocate the resources of the entity and assess the performance of the operating segment of the Company.

c) All assets of the Company are domiciled in India

d) There is only one customer contributing in excess of 10% of the total revenue of the Company

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Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
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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
	Ibills 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 Trustee Company Limited
	Indiabulls Collection Agency Limited
	IBHFL Lender Repayment Trust (with effect from August 17,2017)
	Indiabulls Venture Capital Management Company Limited
	(Subsidiary of Indiabulls Holdings Limited)
	Indiabulls Holdings Limited
	ICCL Lender Repayment Trust (with effect from April 02, 2018)
	Pragati Employee Welfare Trust (with effect from December 03, 2019)
	(Formerly known as Indiabulls Housing Finance Limited - Employees Welfare Trust)
(ii) Other related parties	
Associate of Holding Company	OakNorth Holdings Limited (Formerly known as Acorn OakNorth Holdings Limited) till March 30, 2020
	Mr Raghav Narasimhan Iyenger -Whole time Director and Chief Executive Officer (up to November 26, 2019)
	Mr. Girish Chandra Srivastava – Director
	Mr. Veekesh Suresh Gandhi–Whole time Director and Chief Executive Officer (upto July 6, 2020)
Key Management Personnel	Mr. Ajai Kumar-Additional Director (with effect from October 22 ,2019)
	Mr. Preetinder Virk-Additional Director (with effect from October 22 ,2019)
	Mr. Ambar Maheshwari-Additional Director (with effect from July 17, 2020)
	Mr. Satish Virmani-Chief Financial Officer
	Mr. Rabindra Kumar Pathak-Company Secretary (up to January 15, 2020)
	Mrs. Ritu Kaushik-Company Secretary (with effect from January 15, 2020)

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

(i) Significant transactions with related parties:

Nature of Transactions	Holding company	Key Management Personnel	Total
Income			
Interest income on NCDs/bonds	425.82	-	425.82
	-	-	-
Expenses			
Director's sitting fee	-	8.72	8.72
	-	4.91	4.91

Previous year figures stated in italics

(ii) Statement of material transactions:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Income		
Interest income		
Indiabulls Housing Finance Limited	425.82	-
Expenses		
Director's sitting fee		
Mr Girish Chandra Srivastava	3.81	2.73
Mrs Rekha Gopal Warriar	-	1.09
Mr Ajai Kumar	4.91	1.09

(iii) Balances outstanding at year end:

Particulars	March 31, 2021	March 31, 2020
Investments		
Investment in NCD/bonds of:		
– Indiabulls Housing Finance Limited	4,922.34	-
Other financial assets		
Interest accrued on NCD/bonds:		
– Indiabulls Housing Finance Limited	214.65	-

In accordance with Ind AS 24, disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed. Related Party relationships are given above as are identified by the Company and relied upon by the Auditors. All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.

Note - 41

Earnings per share:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Net Profit/(loss) for the year from continuing operations (Rs. In lakhs)	2,588.67	2,098.45
Weighted average number of equity shares for computation of Basic EPS	17,00,00,000	17,00,00,000
Basic earnings per share (In Rs.)	1.52	1.23
Weighted average number of equity shares for computation of Diluted EPS	17,00,00,000	17,00,00,000
Diluted earnings per share (In Rs.)	1.52	1.23

Note - 42

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 October 4, 2020, granted, 12,500,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 200, which is at a premium of approx. 28% on the latest available closing market price on the National Stock Exchange of India Limited, as on October 1, 2020. These options vest with effect from the first vesting date i.e. October 4, 2021, and thereafter on each vesting date as per the vesting schedule provided in the Scheme.

(ii) Employee Stock Benefit Scheme 2019 ("Scheme").

The Scheme has been adopted and approved pursuant to: (a) a resolution of the Board of Directors of INDIABULLS HOUSING FINANCE LIMITED at its meeting held on November 6, 2019; and (b) a special resolution of the shareholders' of the Holding Company passed through postal ballot on December 23, 2019, result of which were declared on December 24, 2019.

This Scheme comprises:

- INDIABULLS HOUSING FINANCE LIMITED Employees Stock Option Plan 2019 ("ESOP Plan 2019")
- INDIABULLS HOUSING FINANCE LIMITED Employees Stock Purchase Plan 2019 ("ESP Plan 2019")
- INDIABULLS HOUSING FINANCE LIMITED Stock Appreciation Rights Plan 2019 ("SARs Plan 2019")

In accordance with the ESOP Regulations, the Holding Company had set up Indiabulls Housing Finance Limited Employee Welfare Trust (Trust) for the purpose of implementation of ESOP Scheme. The Scheme is administered through ESOP Trust, whereby shares held by the ESOP Trust are transferred to the employees, upon exercise of stock options as per the terms of the Scheme

(iii) (a) 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 - Re-grant	IHFL-IBFSL Employees Stock Option - 2008 - Re-grant	IHFL-IBFSL Employees Stock Option Plan - 2006 - Re-grant	IHFL-IBFSL Employees Stock Option - 2008 - Re-grant	IHFL-IBFSL Employees Stock Option Plan II - 2006 - Re-grant
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	1,25,00,000	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	Three years, 33.33% 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	5th October, 2021	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	200.00	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	15,864	37,89,756	77,24,000	1,25,00,000	68,82,400	10,890	38,880	39,500	3,000	21,900
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.	December 31, 2009	July 16, 2010	August 27, 2009	January 11, 2011	August 27, 2009
Options vested during the year (Nos.)	-	-	-	-	-	-	-	19,440	-	1,500	-
Exercised during the year (Nos.)	-	-	-	-	-	-	-	-	-	-	-
Expired during the year (Nos.)	-	-	-	-	-	-	-	-	-	-	-
Cancelled during the year	-	-	-	-	-	-	-	-	-	-	-
Lapsed during the year	-	267	93,000	22,70,900	4,12,642	19,96,600	-	-	-	-	-
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	15,597	36,96,756	54,53,100	1,20,87,358	48,85,800	10,890	38,880	39,500	3,000	21,900
Exercisable at the end of the year (Nos.)	1,152	15,597	36,96,756	18,17,700	-	-	10,890	38,880	39,500	3,000	21,900
Remaining contractual Life (Weighted Months)	7	27	34	56	78	83	38	45	41	51	41

N.A - Not Applicable

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 -	IHFL -	IHFL - IBFSL	IHFL - IBFSL	IHFL - IBFSL	IHFL - IBFSL	IHFL ESOS - 2013	IHFL ESOS -	IHFL ESOS -	IHFL ESOS -	IHFL - IBFSL
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	200.00
Expected volatility*	99.61%	99.60%	75.57%	75.57%	99.60%	97.00%	46.30%	27.50%	27.70%	33.90%	39.95%
Expected forfeiture percentage on each vesting date	Nil	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	2 Years
Expected Dividends yield	3.19%	2.89%	4.69%	4.50%	2.98%	4.62%	10.00%	5.28%	5.08%	7.65%	0.00%
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	27.4
Risk Free Interest rate	7.59%	7.63%	7.50%	7.50%	7.63%	6.50%	8.57%	6.51%	7.56%	7.37%	5.92%

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

Indiabulls Asset Management Company Limited
Notes to financial statements for the year ended March 31, 2021

(b) The Holding Company has established the "Pragati Employee Welfare Trust" ("Pragati - EWT") (earlier known as Indiabulls Housing Finance Limited - Employees Welfare Trust" (IBH - EWT) ("Trust") for the implementation and management of its employees benefit scheme viz. the "Indiabulls Housing Finance Limited - Employee Stock Benefit Scheme - 2019" (Scheme), for the benefit of the employees of the Holding Company and its subsidiaries. Pursuant to Regulation 3(12) of the SEBI (Share Based Employee Benefits) Regulations, 2014, the shares in Trust have been appropriated towards the Scheme for grant of Share Appreciations Rights (SARs) to the employees of the Holding Company and its subsidiaries as permitted by SEBI. The other disclosures in respect of the SARs are as under:-

Particulars	IHFL ESOS - 2019
Total Options under the Scheme	1,70,00,000
Total Options issued under the Scheme	1,70,00,000
Vesting Period and Percentage	Three years, 33.33% each year
First Vesting Date	10th October, 2021
Exercise Price (Rs.)	Rs. 225 First Year, Rs. 275 Second Year, Rs. 300 Third Year
Exercisable Period	5 years from each vesting date
Outstanding at the beginning of the year (Nos.)	1,70,00,000
Regrant Addition	N.A
Regrant Date	N.A
Options vested during the year (Nos.)	-
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Cancelled during the year	-
Lapsed during the year	-
Re-granted during the year	-
Outstanding at the end of the year (Nos.)	1,70,00,000
Exercisable at the end of the year (Nos.)	-
Remaining contractual Life (Weighted Months)	78

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 ESOS - 2019
Exercise price (Rs.)	Rs. 225 First Year, Rs. 275 Second Year, Rs. 300 Third Year
Expected volatility*	39.95%
Expected forfeiture percentage on each vesting date	Nil
Option Life (Weighted Average)	1 Year for 1st Vesting, 2 years for 2nd Vesting and 3 years for 3rd Vesting.
Expected Dividends yield	0.00%
Weighted Average Fair Value (Rs.)	9.25 for First Year, 13.20 for Second Year and 19.40 for third year
Risk Free Interest rate	5.92%

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

Indiabulls Asset Management Company Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
All amounts in Rs. Lacs, unless otherwise stated

Note - 43

The outbreak of COVID-19 virus, and more specifically the ongoing current wave of infections and resultant lockdowns continue to cause significant disruptions and dislocations for individuals and businesses. While the lockdown introduced by the government at the beginning of the year were lifted in a phased manner and was followed by a period of increased economic activity, with the onset of a very severe second wave of infections, state governments have reintroduced lockdowns and have imposed restrictions on movement of people and goods. The Company's performance continues to be dependent on future developments, which are uncertain, including, among other things, including the current wave that has significantly increased the number of cases in India and any action to contain its spread or mitigate its impact. There has been no material change in the controls or processes followed in the closing of these financial statements of the Company.

The Company has assessed the impact of the pandemic on its operations and its assets including the value of its investments and trade receivables as at March 31, 2021. The management does not, at this juncture, believe that the impact on the value of the Company's assets is likely to be material. However, since the revenue of the Company is ultimately dependent on the value of the assets it manages, changes in market conditions and the trend of flows into mutual funds may have an impact on the operations of the Company. Since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial statements. The Company will continue to closely monitor material changes in markets and future economic conditions.

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, May 18, 2021

Sd/-
Ambar Maheshwari
Whole time Director
DIN : 08560996
Mumbai, May 18, 2021

Sd/-
Ajai Kumar
Director
DIN : 02446976

Sd/-
Ritu Kaushik
Company Secretary
Mumbai, May 18, 2021

Sd/-
Satish Virmani
Chief Financial Officer