

Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Collection Agency Limited for the year ended March 31, 2023

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the Financial Statements for the year ended March 31, 2023, we report the following:

(i) (a) (A) The Company does not have any property, plant and equipment. Accordingly, clause 3(i)(a)(A) of the Order is not applicable.

(B) The Company does not have any intangible assets. Accordingly, clause 3(i)(a)(B) of the Order is not applicable.

(b) The Company does not have any property, plant and equipment. Accordingly, clause 3(i)(b) of the Order is not applicable.

(c) The Company does not have any immovable properties. Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) The Company does not have any property, plant and equipment. Accordingly, clause 3(i)(d) of the Order is not applicable.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of the security of current assets at any point of time during the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) The Company has not made investments in and provided any guarantee or security to companies, firms, Limited Liability Partnerships or any other parties. However, the Company has granted unsecured loans to its Holding Company during the year in respect of which:

(a) During the year the Company has provided loans to companies as follows:

	Loans (Amount in Rs. thousands)
Aggregate amount granted /provided during the year - Holding Company	4,23,000.00
Balance outstanding as at balance sheet date in respect of above cases - Holding Company	Nil

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided security to or provided guarantees to or granted advances in the nature of loans to companies, firms, limited liability partnerships or any other parties during the year. According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the interest of the Company.

Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Collection Agency Limited for the year ended March 31, 2023 (continued)

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted loans during the year to its Holding Company where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not extended / granted fresh loans during the year to the respective parties to settle the dues of the existing loans.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

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

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into Goods and Services Tax ("GST").

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to GST, Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Value Added Tax or Cess or other statutory dues which have not been deposited on account of any dispute.

Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Collection Agency Limited for the year ended March 31, 2023 (continued)

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, loans taken were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(f) The Company does not have any subsidiaries. Accordingly, reporting on clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(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, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Collection Agency Limited for the year ended March 31, 2023 (continued)

(xiv) According to the information and explanations given to us, the provisions related to internal audit are not applicable to the Company. Accordingly, clauses 3(xiv) (a) and 3(xiv) (b) of the Order is not applicable.

(xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and during the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, the provisions related to corporate social responsibility in terms of section 135 of the Act are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Sd/-
Rahul Mukhi
Partner
Membership No.099719
New Delhi, May 19, 2023
UDIN: 23099719BGZADM9802

Annexure B to the Independent Auditor’s Report of even date on the Financial Statements of Indiabulls Collection Agency Limited for the year ended March 31, 2023

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 Collection Agency Limited (“the Company”) as of March 31, 2023 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.

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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, 2023, 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 19, 2023
UDIN: 23099719BGZADM9802

Indiabulls Collection Agency Limited**Balance Sheet as at March 31,2023***All amounts in Rs. Thousands, unless otherwise stated*

	Note No.	As at March 31,2023	As at March 31,2022
Assets			
Current assets			
(a) Financial assets			
(i) Investments	3	-	94,930.16
(ii) Cash and cash equivalents	4	2,45,924.79	1,40,070.72
(iii) Other financial assets	5	38.47	16.07
(b) Other current assets	6	80.51	353.44
Total Current assets		2,46,043.77	2,35,370.39
Total Assets		2,46,043.77	2,35,370.39
Equity and Liabilities			
Equity			
(a) Equity share capital	7	1,500.00	1,500.00
(b) Other equity	8	2,40,705.85	2,32,018.41
Total Equity		2,42,205.85	2,33,518.41
Liabilities			
Non-current liabilities			
Deferred Tax liabilities	9	-	705.23
Total Non-current liabilities		-	705.23
Current liabilities			
(a) Other current liabilities	10	39.63	18.75
(b) Current tax liabilities (Net)	10(a)	3,798.29	1,128.00
Total Current liabilities		3,837.92	1,146.75
Total Equity and Liabilities		2,46,043.77	2,35,370.39

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.016827NFor and on behalf of the Board of Directors of
Indiabulls Collection Agency LimitedSd/-
Rahul Mukhi
Partner
Membership No. 099719
New Delhi, May 19, 2023Sd/-
Vineet Saxena
Director
DIN : 07098632
New Delhi, May 19, 2023Sd/-
Ravi Dutt Sharma
Director
DIN : 07162530

Indiabulls Collection Agency Limited
Statement of profit and loss for the year ended March 31,2023

All amounts in Rs. Thousands, unless otherwise stated

	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
I Other income	11	12,669.98	7,290.52
Total Income (I)		12,669.98	7,290.52
II Expenses			
Finance costs	11 (a)	210.51	313.80
Other expenses	12	828.61	28.11
Total Expenses (II)		1,039.12	341.91
III Profit before exceptional items and tax (I-II)		11,630.86	6,948.61
IV Exceptional items		-	-
V Profit before tax (III-IV)		11,630.86	6,948.61
VI Tax expense			
(1) Current tax	13	3,648.65	1,124.07
(2) Tax adjustment earlier years		-	26.42
Net Current tax		3,648.65	1,150.49
(3) Deferred tax (credit)/expenses		(705.23)	705.23
Income tax expense		2,943.42	1,855.72
VII Profit for the year		8,687.44	5,092.89
VIII Other Comprehensive Income			
A. Items that will not to be reclassified to profit or loss		-	-
B. Items that will be reclassified to profit or loss		-	-
		-	-
IX Total Comprehensive Income for the year (VII + VIII)		8,687.44	5,092.89
X Earnings per equity share			
(1) Basic (in INR)	23	57.92	33.95
(2) Diluted (in INR)		57.92	33.95

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 as 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 Collection Agency Limited

Sd/-
Rahul Mukhi
Partner
Membership No. 099719
New Delhi, May 19, 2023

Sd/-
Vineet Saxena
Director
DIN : 07098632
New Delhi, May 19, 2023

Sd/-
Ravi Dutt Sharma
Director
DIN : 07162530

Indiabulls Collection Agency Limited
Statement of Changes in Equity for the year ended March 31,2023

All amounts in Rs. Thousands, unless otherwise stated

(A) Equity share capital

Particulars	Equity Shares	
	Number	Amount
As at April 01, 2021	1,50,000	1,500.00
Changes in Equity Share Capital due to prior year errors	-	-
Restated balance at the beginning of the previous reporting year	1,50,000	1,500.00
Changes in equity share capital during the year	-	-
As at March 31, 2022	1,50,000	1,500.00
Changes in Equity Share Capital due to prior year errors	-	-
Restated balance at the beginning of the current reporting year	1,50,000	1,500.00
Changes in equity share capital during the year	-	-
As at March 31,2023	1,50,000	1,500.00

(B) Other Equity

Description	Reserves and Surplus		Other comprehensive income	Total
	Securities premium	Retained earnings		
Amount				
Balance as at April 01, 2021	98,872.04	1,28,053.48	-	2,26,925.52
Changes in accounting policy/prior period errors	-	-	-	-
Restated balance at the beginning of the previous reporting year	98,872.04	1,28,053.48	-	2,26,925.52
Profit for the year	-	5,092.89	-	5,092.89
Other comprehensive income (net of tax)	-	-	-	-
Balance as at March 31, 2022	98,872.04	1,33,146.37	-	2,32,018.41
Changes in accounting policy/prior period errors	-	-	-	-
Restated balance at the beginning of the current year	98,872.04	1,33,146.37	-	2,32,018.41
Profit for the year	-	8,687.44	-	8,687.44
Other comprehensive income (net of tax)	-	-	-	-
Balance as at March 31, 2023	98,872.04	1,41,833.81	-	2,40,705.85

Summary of significant accounting policies

Note: 2

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 Collection Agency Limited

Sd/-
Rahul Mukhi
Partner
Membership No. 099719
New Delhi, May 19, 2023

Sd/-
Vineet Saxena
Director
DIN : 07098632
New Delhi, May 19, 2023

Sd/-
Ravi Dutt Sharma
Director
DIN : 07162530

Indiabulls Collection Agency Limited
Statement of Cash Flows for the year ended March 31,2023

All amounts in Rs. Thousands, unless otherwise stated

	For the year ended March 31, 2023	For the year ended March 31, 2022
A Cash flow from operating activities :		
Net Profit for the year before tax	11,630.86	6,948.61
Adjustment for		
Profit on redemption of units of mutual funds	(12,238.84)	(4,228.07)
Unrealized Income / Gain on Current Investments	-	(2,802.09)
Balances no longer required, written back	-	(5.96)
Interest on loan given	(347.67)	-
Interest on loans taken	146.30	-
Interest income from fixed deposits	(83.47)	(254.40)
	<u>(12,523.68)</u>	<u>(7,290.52)</u>
Operating Profit/(Loss) before working capital changes	(892.82)	(341.91)
Changes in working capital:		
Other financial liabilities	20.88	(6.25)
Other current assets	272.93	(303.52)
	<u>(599.01)</u>	<u>(651.68)</u>
Cash generated from/(used in) after working capital changes	(599.01)	(651.68)
Direct taxes (paid)/refund (net)	(978.36)	(1,755.48)
Net cash generated from/(used in) operating activities	<u>(1,577.37)</u>	<u>(2,407.16)</u>
B Cash flow from investing activities		
Loan given to holding Company	(4,23,000.00)	-
Repayment received of loan given to Holding Company	4,23,000.00	-
Interest received on loan given	347.67	-
Interest received on fixed deposits	61.07	356.35
Proceeds from (investment in)/redemption of investments (net)	1,07,169.00	(87,900.00)
Net cash generated from/(used in) investing activities	<u>1,07,577.74</u>	<u>(87,543.65)</u>
C Cash flow from financing activities		
Loan taken from fellow subsidiary Companies	1,78,000.00	-
Loan repaid to fellow subsidiary Companies	(1,78,000.00)	-
Interest paid on loans taken	(146.30)	-
Net cash generated from/(used in) financing activities	<u>(146.30)</u>	<u>-</u>
D Net increase / (decrease) in cash and cash equivalents (A+B+C)	1,05,854.07	(89,950.81)
E Cash and cash equivalents at the beginning of the year	1,40,070.72	2,30,021.53
F Cash and cash equivalents at the close of the year (D+E)	<u>2,45,924.79</u>	<u>1,40,070.72</u>
[Refer Note: 4]		

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in 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 Collection Agency Limited

Sd/-
Rahul Mukhi
Partner
Membership No. 099719
New Delhi, May 19, 2023

Sd/-
Vineet Saxena
Director
DIN : 07098632
New Delhi, May 19, 2023

Sd/-
Ravi Dutt Sharma
Director
DIN : 07162530

Indiabulls Collection Agency Limited
Notes to financial statements for the year ended March 31, 2023
All amounts in Rs. Thousands, unless otherwise stated

Note - 1

Corporate information:

Indiabulls Collection Agency Limited ("the Company") was incorporated on June 1, 2006, as a wholly owned subsidiary of Indiabulls Housing Finance Limited (IHFL). The Company is primarily engaged in the business of debt collection and to act as recovery agent.

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 March 31, 2023 were authorized and approved for issue by the Board of Directors on May 19, 2023.

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.

iv) Revenue recognition:

Revenue is recognized upon transfer of control of services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

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 has adopted Ind AS – 115 Revenue from contracts with customers, with effect from 1st April, 2018. Ind AS – 115 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with its customers and replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

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

v) 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.

(i) 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.

Note 2

Summary of significant accounting policies (continued):

(ii) 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.

iii) 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.

vi) Cost recognition

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

vii) 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.

viii) 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.

Note 2

Summary of significant accounting policies (continued):

ix) 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.

x) Financial instruments

I. 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 Asset

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.

II 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:

Note 2

Summary of significant accounting policies (continued):

x) Financial instruments (continued)

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.

Financial liabilities at fair value through profit or loss - designated

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.

xi) Investment in subsidiaries

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

xii) 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.

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.

xiii) 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.

xiv) 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.

xv) 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.

xv) Employee benefits (continued)

(iii) Short-term employee benefits

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

(iv) Compensated absences

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

xvi) 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.

xvii) Segment reporting:

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

xviii) Recent accounting pronouncements

The Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

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Indiabulls Collection Agency Limited
Notes to the financial statements for the year ended March 31, 2023
All amounts in Rs. Thousands, unless otherwise stated

	As at March 31,2023	As at March 31,2022
Note:3		
Investments		
Current (Unquoted, Non Trade)		
At fair value through Profit and Loss		
Units of Mutual Funds :		
Indiabulls Overnight Fund Direct Plan Growth	-	94,930.16
[No.of units Nil (Previous year: 86,195.598) NAV Rs. Nil (Previous year: Rs. 1,101.3342)]		
As per Balance Sheet	<u>-</u>	<u>94,930.16</u>
	As at March 31,2023	As at March 31,2022
Note:4		
Cash and cash equivalents		
Cash on hand	4.16	5.01
Balances with banks		
- in current accounts	5,810.12	5,065.71
- in fixed deposits with bank (with original maturity less than three months)	2,40,000.00	1,35,000.00
Cheques on hand	110.51	-
As per Balance Sheet	<u>2,45,924.79</u>	<u>1,40,070.72</u>
	As at March 31,2023	As at March 31,2022
Note:5		
Other Financial Assets		
Interest accrued on fixed deposits	38.47	16.07
As per Balance Sheet	<u>38.47</u>	<u>16.07</u>
	As at March 31,2023	As at March 31,2022
Note:6		
Other current assets		
Advances recoverable in cash or kind or for value to be received	80.51	353.44
As per Balance Sheet	<u>80.51</u>	<u>353.44</u>

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Note:7

Equity share capital

	As at March 31,2023		As at March 31,2022	
	No. of Shares	Amount	No. of Shares	Amount
Authorized share capital				
Equity Shares of face value of Rs. 10 each	5,00,000	5,000.00	5,00,000	5,000.00
Issued , Subscribed & Paid up				
Equity Shares of face value of Rs. 10 each	1,50,000	1,500.00	1,50,000	1,500.00
As per Balance Sheet		1,500.00		1,500.00

a) **The reconciliation of equity shares outstanding at the beginning and at the end of the year**

Equity Shares	As at March 31,2023		As at March 31,2022	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of year	1,50,000	1,500.00	1,50,000	1,500.00
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of year	1,50,000	1,500.00	1,50,000	1,500.00

b) **Terms/ rights attached to equity shares:**

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

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

c) **Details of shareholders holding more than 5% shares in the Company**

Name of the shareholder	As at March 31,2023		As at March 31,2022	
	No of shares	% of holding	No of shares	% 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	1,50,000	100%	1,50,000	100%

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

d) **Details of shareholding of promoters in the Company**

Shares held by promoters at the end of the year March 31, 2023			% Change during the year
Promoter Name	No. of Shares	% of total shares	
Indiabulls Housing Finance Limited	1,50,000	100%	-
Total			

Shares held by promoters at the end of the year March 31, 2022			% Change during the year
Promoter Name	No. of Shares	% of total shares	
Indiabulls Housing Finance Limited	1,50,000	100%	-
Total			

e) **Employees stock option plans:** [Refer Note: 36]

Note:8

Other equity:

Description	Reserves and Surplus		Items of other comprehensive income	Total
	Securities premium	Retained earnings		
Balance as at April 01, 2021	98,872.04	1,28,053.48	-	2,26,925.52
Profit for the year	-	5,092.89	-	5,092.89
Other comprehensive income (net of tax)	-	-	-	-
Balance as at March 31, 2022	98,872.04	1,33,146.37	-	2,32,018.41
Profit for the year	-	8,687.44	-	8,687.44
Other comprehensive income (net of tax)	-	-	-	-
Balance as at March 31, 2023	98,872.04	1,41,833.81	-	2,40,705.85

(a) **Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of section 52 of the Companies Act, 2013.

(b) **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.

	As at March 31,2023	As at March 31,2022
Note:9		
Deferred tax liabilities		
Arising on account of temporary differences due to:		
Fair valuation of financial instruments	-	705.23
As per Balance Sheet	-	705.23

Note:9

Deferred tax liabilities (continued)

Movement in deferred tax balances

March 31, 2023

Particulars	Balance as on April 1, 2022	Recognized in Profit and Loss	Recognized in Other comprehensive income	Balance as on March 31, 2023
Fair valuation of financial instruments	705.23	705.23	-	-
Total	705.23	705.23	-	-

March 31, 2022

Particulars	Balance as on April 1, 2021	Recognized in Profit and Loss	Recognized in Other comprehensive income	Balance as on March 31, 2022
Fair valuation of financial instruments	-	705.23	-	705.23
Total	-	705.23	-	705.23

As at
March 31,2023

As at
March 31,2022

Note:10

Other current liabilities

Expenses payable	39.63	18.75
As per Balance Sheet	39.63	18.75

As at
March 31,2023

As at
March 31,2022

Note:10(a)

Current tax liabilities (Net)

Provision for tax	3,798.29	1,128.00
[Net of tax deducted at source and self assessment tax Rs. 2,874.60 thousands (Previous year : Rs. 1,765.05 thousands)]		
As per Balance Sheet	3,798.29	1,128.00

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Indiabulls Collection Agency Limited**Notes to the financial statements for the year ended March 31, 2023***All amounts in Rs. Thousands, unless otherwise stated*

	For the year ended March 31, 2023	For the year ended March 31, 2022
Note:11		
Other Income		
Interest income from fixed deposits	83.47	254.40
Unrealised Income / Gain on Current Investments	-	2,802.09
Profit on redemption of mutual funds (net)	12,238.84	4,228.07
Balances no longer required, written back	-	5.96
Interest on loan given	347.67	-
As per Statement of Profit and Loss	<u>12,669.98</u>	<u>7,290.52</u>

	For the year ended March 31, 2023	For the year ended March 31, 2022
Note:11 (a)		
Finance costs		
Interest on taxes	64.21	313.80
Interest on loans taken	146.30	-
As per Statement of Profit and Loss	<u>210.51</u>	<u>313.80</u>

	For the year ended March 31, 2023	For the year ended March 31, 2022
Note:12		
Other expenses		
Rates and taxes	0.85	2.04
Rent	120.00	-
Legal and professional charges	-	-
Payment to auditors comprises :		
Statutory audit fees	25.00	25.00
Bank charges	682.76	1.07
As per Statement of Profit and Loss	<u>828.61</u>	<u>28.11</u>

	For the year ended March 31, 2023	For the year ended March 31, 2022
Note:13		
Income tax expenses		
Tax expense comprises of:		
Current tax (including earlier years)	3,648.65	1,150.49
Deferred tax charge/(credit)	(705.23)	705.23
Income tax expense reported in the statement of profit and loss	<u>2,943.42</u>	<u>1,855.72</u>

	For the year ended March 31, 2023	For the year ended March 31, 2022
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Accounting profit/(loss) before tax	11,630.86	6,948.61
Accounting profit/(loss) before income tax	<u>11,630.86</u>	<u>6,948.61</u>
At India's statutory income tax rate	25.168%	25.168%
Computed expected tax expense	2,927.26	1,748.83
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax effect of expense which will never be allowed	16.16	80.47
Tax effect of earlier year items	-	26.42
Income tax expense	<u>2,943.42</u>	<u>1,855.72</u>

Indiabulls Collection Agency Limited
Notes to financial statements for the year ended March 31, 2023
All amounts in Rs. Thousands, unless otherwise stated

Note - 14

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 - 15

In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at March 31, 2023 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 - 16

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

Particulars	As at March 31, 2023	As at March 31, 2022
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.

Note - 17

- (a) 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, 2023 (Previous year: Rs. Nil).
- (b) There are no borrowing costs to be capitalised as at March 31, 2023 (Previous year: Rs. Nil).
- (c) There are no contingent liabilities to be reported as at March 31, 2023 (Previous year: Rs. Nil).
- (d) There are no capital and other commitments to be reported as at March 31, 2023 (Previous year: Rs. Nil).

Note - 18

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, 2023	As at March 31, 2022
Financial assets measured at fair value			
Investments measured at fair value through profit or loss	3	-	94,930.16
Financial assets measured at amortised cost			
Cash and cash equivalents	4	2,45,924.79	1,40,070.72
Other financial assets	5	38.47	16.07
Total		2,45,963.26	2,35,016.95
Financial liabilities measured at amortised cost			
Total		-	-

B Fair values hierarchy

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

The categories used are as follows:

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

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

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

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

Particulars	Period	Level 1	Level 2	Level 3	Total
Assets					
Investments at fair value through profit and loss					
Mutual Funds	March 31, 2023	-	-	-	-
	March 31, 2022	94,930.16	-	-	94,930.16

Fair value of cash and cash equivalents, trade receivables and other financial assets 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: Net Asset Value (NAV) declared by the mutual fund at which units are issued or redeemed.

Indiabulls Collection Agency Limited
Notes to financial statements for the year ended March 31, 2023

All amounts in Rs. Thousands, unless otherwise stated

Note - 18
Financial instruments (continued)

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 31,2023		As at March 31,2022	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	2,45,924.79	2,45,924.79	1,40,070.72	1,40,070.72
Other financial assets	38.47	38.47	16.07	16.07
Total	2,45,963.26	2,45,963.26	1,40,086.79	1,40,086.79
Financial liabilities	-	-	-	-
Total	-	-	-	-

Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include -

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

Note - 19

Risk Management

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

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, investments and other financial assets	Ageing analysis	Highly rated bank deposits and diversification of asset base and collaterals taken for assets
Liquidity risk	Borrowings, trade payables and other financial liabilities	Cash flow forecasts	Committed borrowing and other credit facilities
Market risk - security price	Investments in equity securities/ mutual funds	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments and highly rated 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, investments, loan assets, trade receivables and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk

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

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

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

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Cash and cash equivalents, investments and other financial assets	12 month expected credit loss

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

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

Financial assets that expose the entity to credit risk*

Particulars	As at March 31,2023	As at March 31,2022
(i) Low credit risk		
Cash and cash equivalents	2,45,924.79	1,40,070.72
Other financial assets	38.47	16.07
(ii) Moderate credit risk	-	-
(iii) High credit risk	-	-

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

Indiabulls Collection Agency Limited
Notes to financial statements for the year ended March 31, 2023

All amounts in Rs. Thousands, unless otherwise stated

Note - 19

Risk Management (continued)

Cash and cash equivalents

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

Other financial assets measured at amortized cost

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 31,2023	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	2,45,924.79	-	2,45,924.79
Other financial assets	38.47	-	38.47

As at March 31,2022	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	1,40,070.72	-	1,40,070.72
Other financial assets	16.07	-	16.07

B) Liquidity risk

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

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

(i) Financing arrangements

The Company had access to the following funding facilities:

As at March 31, 2023	Total facility	Drawn	Undrawn
-Expiring within one year	2,50,000.00	1,78,000.00	72,000.00
Total	2,50,000.00	1,78,000.00	72,000.00

As at March 31, 2022	Total facility	Drawn	Undrawn
-Expiring within one year	-	-	-
Total	-	-	-

(ii) Maturities of financial assets and liabilities

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

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

As at March 31,2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Non-derivatives					
Cash and cash equivalents	2,45,924.79	-	-	-	2,45,924.79
Other financial assets	38.47	-	-	-	38.47
Total undiscounted financial assets	2,45,963.26	-	-	-	2,45,963.26
Non-derivatives					
Total undiscounted financial liabilities	-	-	-	-	-
Net undiscounted financial assets/(liabilities)	2,45,963.26	-	-	-	2,45,963.26

As at March 31,2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Non-derivatives					
Investments	94,930.16	-	-	-	94,930.16
Cash and cash equivalents	1,40,070.72	-	-	-	1,40,070.72
Other financial assets	16.07	-	-	-	16.07
Total undiscounted financial assets	2,35,016.95	-	-	-	2,35,016.95
Non-derivatives					
Total undiscounted financial liabilities	-	-	-	-	-
Net undiscounted financial assets/(liabilities)	2,35,016.95	-	-	-	2,35,016.95

Indiabulls Collection Agency Limited
Notes to financial statements for the year ended March 31, 2023

All amounts in Rs. Thousands, unless otherwise stated

Note - 19

Risk Management (continued)

C) Market risk

a) Foreign currency risk

The Company has not entered into any foreign currency transactions and is not exposed to foreign exchange risk arising from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. The Company did not have any foreign currency receivables and payables as at March 31, 2023 and March 31, 2022.

b) Interest rate risk

i) Liabilities

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

ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

c) Price risk

i) Exposure

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

ii) Sensitivity

The table below summarises the impact of increases/decreases of the Net Asset Value (NAV) on the Company's investments in Mutual funds and profit for the year. The analysis is based on the assumption that the NAV increased by 5% or decreased by 5% with all other variables held constant, and that all the Company's investments in mutual funds moved in line with the NAV.

Particulars	Sensitivity of Profit or (Loss)	
	March 31, 2023	March 31, 2022
NAV-Increase by 5%	-	99,676.67
NAV-Decrease by 5%	-	(99,676.67)

Note - 20

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, if applicable
- to provide an adequate return to shareholders

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

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

Particulars	As at March 31, 2023	As at March 31, 2022
Net debt*	-	-
Total equity	2,42,205.85	2,33,518.41
Net debt to equity ratio	-	-

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

The Company does not have any borrowings/debt as at March 31, 2023 and March 31, 2022.

Note - 21

Segment reporting:

Considering the nature of the Company's business and operations and based on the information available with the management, there are no reportable segments (business and/or geographical) as per Ind AS 108 on 'Segment Reporting'. Hence, no further disclosures are required in respect of reportable segments, other than those already provided in the financial statements. 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. All assets of the Company are domiciled in India.

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Indiabulls Collection Agency Limited
Notes to financial statements for the year ended March 31, 2023

All amounts in Rs. Thousands, unless otherwise stated

Note - 22

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
Where control exists	
Holding Company	Indiabulls Housing Finance Limited
	Indiabulls Insurance Advisors Limited
	Nilgiri Investmart Services Limited (formerly Nilgiri Financial Consultants Limited) (Subsidiary of Indiabulls Insurance Advisors Limited)
	Ibolls Sales Limited
	Indiabulls Commercial Credit Limited (Formerly known as Indiabulls Infrastructure Credit Limited)
	Indiabulls Asset Management Mauritius (up to July 20, 2022) (Subsidiary of Indiabulls Commercial Credit Limited)
	Indiabulls Capital Services Limited
Fellow Subsidiary Companies (including step down subsidiaries)/ Entities under common control	Indiabulls Advisory Services Limited
	Indiabulls Asset Holding Company Limited
	Indiabulls Trustee Company Limited
	Indiabulls Asset Management Company Limited
	Indiabulls Investment Management Limited (Formerly known as Indiabulls Venture Capital Management Company Limited)
	Indiabulls Holdings Limited
	IBHFL Lender Repayment Trust (w.e.f. August 17, 2017)
	ICCL Lender Repayment Trust (w.e.f. April 02, 2018)
	Pragati Employee Welfare Trust (w.e.f. December 03, 2019) (Formally known as Indiabulls Housing Finance Limited - Employees Welfare Trust)
Key Management Personnel	Mr. Anil Malhan, Director
	Mr. Vineet Saxena, Director
	Mr. Ravi Dutt Sharma, Director

(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	Year	Holding Company	Fellow subsidiary companies	Total
Finance				
Unsecured Loan given (Maximum balance outstanding at any time during the year)	31-Mar-23	4,23,000.00	-	4,23,000.00
	31-Mar-22	-	-	-
Repayment received of Unsecured Loan given	31-Mar-23	4,23,000.00	-	4,23,000.00
	31-Mar-22	-	-	-
Unsecured Loan taken (Maximum balance outstanding at any time during the year)	31-Mar-23	-	1,78,000.00	1,78,000.00
	31-Mar-22	-	-	-
Repayment of Unsecured Loan taken	31-Mar-23	-	1,78,000.00	1,78,000.00
	31-Mar-22	-	-	-
Income				
Interest on Loan given	31-Mar-23	347.67	-	347.67
	31-Mar-22	-	-	-
Expense				
Interest on Loan taken	31-Mar-23	-	146.30	146.30
	31-Mar-22	-	-	-
Rent	31-Mar-23	120.00	-	120.00
	31-Mar-22	-	-	-

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Indiabulls Collection Agency Limited
Notes to financial statements for the year ended March 31, 2023

All amounts in Rs. Thousands, unless otherwise stated

Note - 22

Related party disclosures : (continued)

(ii) Statement of material transactions:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Finance		
Unsecured Loan given (Maximum balance outstanding at any time during the year)		
Indiabulls Housing Finance Limited	4,23,000.00	-
Unsecured Loan given received back		
Indiabulls Housing Finance Limited	4,23,000.00	-
Unsecured Loan taken (Maximum balance outstanding at any time during the year)		
Indiabulls Capital Services Limited	1,24,000.00	-
Indiabulls Insurance Advisors Limited	54,000.00	-
Unsecured Loan paid		
Indiabulls Capital Services Limited	1,24,000.00	-
Indiabulls Insurance Advisors Limited	54,000.00	-
Income		
Interest on Loan given		
Indiabulls Housing Finance Limited	347.67	-
Expense		
Interest on Loan taken		
Indiabulls Capital Services Limited	101.92	-
Indiabulls Insurance Advisors Limited	44.38	-
Rent		
Indiabulls Housing Finance Limited	120.00	-

(iii) Outstanding at year ended March 31, 2023 : Rs. Nil (Previous year: Rs. Nil)

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 are as identified by the Company and relied upon by the Auditors.

Note - 23

Earnings per share:

Basic earnings per share is computed by dividing the net profit/(loss) attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share are computed using the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The number of equity shares and potential diluted equity shares are adjusted for stock split and bonus shares as appropriate.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Profit/(loss) for the year from continuing operations	8,687.44	5,092.89
Weighted average number of equity shares for computation of Basic EPS	1,50,000	1,50,000
Basic earnings per share (In Rs.)	57.92	33.95
Weighted average number of equity shares for computation of Diluted EPS	1,50,000	1,50,000
Diluted earnings per share (In Rs.)	57.92	33.95

Note - 24

(i) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Company has not advanced or loaned or invested any funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediaries shall;

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Note - 25

There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) during the year ended March 31, 2023 (Previous year Rs. Nil).

Indiabulls Collection Agency Limited
Notes to financial statements for the year ended March 31, 2023

All amounts in Rs. Thousands, unless otherwise stated

Note - 26

The Company have not taken any borrowings from banks or financial institutions on the basis of security of current assets during the year ended March 31, 2023 (Previous year Rs. Nil).

Note - 27

There are no any bank or financial institution or other lender declared to Company a wilful defaulter during the year (Previous year Rs. Nil).

Note - 28

The company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2023 (Previous year Rs. Nil)

Note - 29

There are no charges or satisfaction yet to be registered with Registrar of Companies by the Company during the year (Previous year Rs. Nil).

Note - 30

The Company did not enter into any transactions which are not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. (Previous year Rs. Nil).

Note - 31

The Company has not traded or invested in crypto currency or virtual currency during the financial year ended March 31, 2023 (Previous year Rs. Nil).

Note - 32

The Company has not been declared a wilful defaulter by any bank or financial Institution or other lender during the year ended March 31, 2023.

Note - 33

Analytical Ratios:

The ratios for the years ended March 31, 2023 and March 31, 2022 are as follows:

Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance %	Remarks
Current Ratio	Current Assets	Current Liabilities	6411%	20525%	-69%	Increase in current liabilities in FY 22-23
Debt-Equity Ratio	Total Debt	Total Equity	-	-	-	N.A.
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	6038%	-	-	N.A.
Return on Equity Ratio	Net profit/ (loss) after tax	Average Share holder's equity	3.65%	2.20%	66%	Increase in net profit for FY 22-23 due to higher total income
Inventory turnover ratio	Cost of goods sold	Average value of inventory	-	-	-	N.A.
Trade Receivables turnover ratio	Net credit sales	Average trade receivables	-	-	-	N.A.
Trade payables turnover ratio	Net credit purchases	Average trade payables	-	-	-	N.A.
Net capital turnover ratio	Revenue	Average working capital	5.32%	3.16%	69%	Increase in net profit for FY 22-23 due to higher total income
Net profit ratio	Net profit/ (loss) after tax	Revenue	68.57%	69.86%	-2%	N.A.
Return on Capital employed	Earnings before interest and tax	Capital Employed	4.89%	3.10%	58%	Increase in net profit for FY 22-23 due to higher total income
Return on investment	Income generated from investments	Cost of investments	5.83%	3.01%	93%	Higher yeild on investments in mutual funds redeemed in FY 22-23

N.A. : Not Applicable

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Note - 34

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

(i) Grants During the Year:

1. The Nomination and Remuneration Committee of the the Holding Company has, at its meeting held on April 26, 2022, granted under the "Indiabulls Housing Finance Limited Employees Stock Option Scheme - 2013 or IHFL ESOS - 2013", 10,800,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 152.85 per share, which is the latest available closing market price on the National Stock Exchange of India Limited, as on April 25, 2022. The Stock Options so granted, shall vest within 1 year beginning from April 27, 2023 or thereafter, as may be decided by Nomination and Remuneration Committee of the Holding Company.

2. The Nomination and Remuneration Committee of the Holding Company has, at its meeting held on July 19, 2022, granted under the "Indiabulls Housing Finance Limited Employees Stock Option Scheme - 2013 or IHFL ESOS - 2013", 15,500,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 96 per share (against Rs. 95.70, which is the latest available closing market price on the National Stock Exchange of India Limited, as on July 18, 2022). These options shall vest on July 20, 2023 or thereafter, as may be decided by Nomination and Remuneration Committee of the Holding Company.

3. The Nomination and Remuneration Committee of the Holding Company has, at its meeting held on October 13, 2022, granted under the "Indiabulls Housing Finance Limited Employees Stock Option Scheme - 2013 or IHFL ESOS - 2013", 6,400,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 130 per share (against Rs. 129.70, which is the latest available closing market price on the National Stock Exchange of India Limited, as on October 12, 2022). These options shall vest on October 14, 2023 or thereafter, as may be decided by Nomination and Remuneration Committee of the Holding Company.

(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 – 2008	IHFL ESOS - 2013	IHFL ESOS - 2013	IHFL ESOS - 2013	IHFL ESOS - 2013	IHFL-IBFSL Employees Stock Option – 2008 -Resgrant	IHFL-IBFSL Employees Stock Option – 2008- Resgrant	IHFL-IBFSL Employees Stock Option Plan – 2006 - Resgrant	IHFL-IBFSL Employees Stock Option – 2008 - Resgrant	IHFL-IBFSL Employees Stock Option Plan II – 2006 - Resgrant	IHFL ESOS - 2013	IHFL ESOS - 2013	IHFL ESOS - 2013
Total Options under the Scheme	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.	3,90,00,000	3,90,00,000	3,90,00,000
Total Options issued under the Scheme	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.	1,08,00,000	1,55,00,000	64,00,000
Vesting Period and Percentage	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.	One year, 100% in first year	One year, 100% in first year	One year, 100% in first year
First Vesting Date	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	27th April, 2023	20th July, 2023	14th October, 2023
Revised Vesting Period & Percentage	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	N.A.	N.A.	N.A.
Exercise Price (Rs.)	95.95	394.75	1,156.50	200.00	702.00	125.90	158.50	95.95	153.65	100.00	152.85	96.00	130.00
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	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	14,332	33,24,556	34,18,000	1,20,87,358	30,64,800	7,290	30,880	39,500	0	21,900	1,08,00,000	1,55,00,000	64,00,000
Resgrant Addition	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Resgrant Date	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	April 26, 2022	July 19, 2022	October 13, 2022
Options vested during the year (Nos.)	-	-	-	-	-	-	-	-	-	-	-	-	-
Exercised during the year (Nos.)	-	-	-	-	-	-	-	-	-	-	-	-	-
Expired during the year (Nos.)	-	-	-	-	-	-	-	-	-	-	-	-	-
Cancelled during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Lapsed during the year	3,375	33,24,556	34,18,000	1,20,87,358	30,64,800	6,750	-	-	-	-	7,00,000	3,50,000	-
Re-granted during the year	-	-	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Outstanding at the end of the year (Nos.)	10,957	-	-	-	-	540	30,880	39,500	-	21,900	1,01,00,000.00	1,51,50,000.00	64,00,000.00
Exercisable at the end of the year (Nos.)	10,957	-	-	-	-	540	30,880	39,500	-	21,900	-	-	-
Remaining contractual Life (Weighted Months)	7	-	-	-	-	9	22	17	NA	17	61	64	66

N.A - Not Applicable

Indiabulls Collection Agency Limited
Notes to the financial statements for the year ended March 31, 2023
All amounts in Rs. Lacs, unless otherwise stated

Note - 34
Employees Stock Options Plans of Indiabulls Housing Finance Limited ("the Holding Company" "IHFL"): (continued)

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

Particulars	IHFL - IBFSL Employees Stock Option – 2008 Regrant	IHFL - IBFSL Employees Stock Option – 2008 Regrant	IHFL - IBFSL Employees Stock Option – 2006- Regrant	IHFL - IBFSL Employees Stock Option Plan II – 2006- Regrant	IHFL - IBFSL Employees Stock Option – 2008 Regrant	IHFL - IBFSL Employees Stock Option – 2008	IHFL ESOS - 2013 (Grant 1)	IHFL ESOS - 2013 (Grant 2)	IHFL ESOS - 2013 (Grant 4)	IHFL - IBFSL Employees Stock Option – 2013	IHFL - IBFSL Employees Stock Option – 2013	IHFL - IBFSL Employees Stock Option – 2013	IHFL - IBFSL Employees Stock Option – 2013
Exercise price (Rs.)	125.90	158.50	95.95	100.00	153.65	95.95	394.75	1,156.50	702.00	200.00	152.85	96.00	130.00
Expected volatility*	99.61%	99.60%	75.57%	75.57%	99.60%	97.00%	46.30%	27.50%	33.90%	39.95%	53.00%	53.00%	53.00%
Expected forfeiture percentage on each vesting date	Nil	Nil	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	2 Years	1 Year	1 Year	1 Year
Expected Dividends yield	3.19%	2.89%	4.69%	4.50%	2.98%	4.62%	10.00%	5.28%	7.65%	0.00%	0.00%	0.00%	0.00%
Weighted Average Fair Value (Rs.)	83.48	90.24	106.3	108.06	84.93	52.02	89.76	200.42	126.96	27.4	35.3	22.5	30
Risk Free Interest rate	7.59%	7.63%	7.50%	7.50%	7.63%	6.50%	8.57%	6.51%	7.37%	5.92%	5.47%	6.25%	6.25%

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

(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.)	56,66,666
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.)	1,13,33,333
Remaining contractual Life (Weighted Months)	54

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*	0.40
Expected forfeiture percentage on each vesting date	Nil
Option Life (Weighted Average)	1 Year for first Vesting, 2 years for second Vesting and 3 years for third Vesting.
Expected Dividends yield	-
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	0.06

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

Indiabulls Collection Agency Limited
Notes to financial statements for the year ended March 31, 2023
All amounts in Rs. Thousands, unless otherwise stated

Note - 35

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, 2023 (Previous year: Rs. Nil).

As per our report on even date

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

For and on behalf of the Board of Directors of
Indiabulls Collection Agency Limited

Sd/-
Rahul Mukhi
Partner
Membership No. 099719
New Delhi, May 19, 2023

Sd/-
Vineet Saxena
Director
DIN : 07098632
New Delhi, May 19, 2023

Sd/-
Ravi Dutt Sharma
Director
DIN : 07162530