

INDEPENDENT AUDITOR'S REPORT

To The Members of Indiabulls Venture Capital Management Company Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Indiabulls Venture Capital Management Company Limited** ("the company") which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act' 2013 ("the Act") with respect to the preparation of these standalone financial Statements that give a true and fair view of the financial position, financial performance and cash flow of the company in accordance with the accounting principles generally accepted in India including the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; judgments and estimate that are reasonable and prudent and design implementation of adequate financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statement give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as March 31, 2017, and its profit and its cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

Further to our comments in the aforesaid annexure, as required by section 143(3) of the Act, we report that:

1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
2. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
3. The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
4. In our opinion, the aforesaid standalone financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
5. On the basis of the written representations received from the directors none of the director is disqualified as on March 31, 2017 from being appointed as directors in terms of section 164(2) of the Act.
6. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to over separate report in "**Annexure-B**".
7. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company does not have any pending litigations which would impact its financial position.

- b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c) There were no amounts which were required to be transferred to the investor Education and Protection Fund by the Company.
- d) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes (SBN) during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – **Refer Note – 14.**

For Sumit Mohit & Company
Chartered Accountants
FRN: 021502N

Sd/-
Sumit Garg
(Partner)
M. No.: 506945
Place: New Delhi
Date: April 22, 2017

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under heading of "Report on other Legal and regulatory requirements" of our report of even date)

- (i) The Company does not have any fixed assets; accordingly, the provisions of clause 3(i) of the Order are not applicable to the Company.
- (ii) The Company does not have any inventories; accordingly, the provisions of clause 3(ii) of the Order are not applicable to the Company.
- (iii) As informed, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Consequently the provisions of clause (iii)(a), (iii)(b) and (iii)(c) of the other are not applicable to the company.
- (iv) The Company has been complied all the provisions of Section 185 and 186 in respect of loans, investments, guarantees, and security.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of directives issues by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. No order has been passed by the Company Law Board of National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for the products of the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, duty of Customs, duty of Excise, value added tax and cess and any other statutory dues to appropriate authority have generally been regularly deposited during the year by the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employee's State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess and other statutory dues were in arrears, as at March 31, 2017 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 the records of the Company examined by us, as at March 31, 2017, there are no dues of sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.
- (viii) The Company has no dues in respect of a financial institution, bank, Government or debenture holders.
- (ix) The Company has not raised any money by way of Initial Public Offer or further public offer (including debt instruments) and term loans.

- (x) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year nor have we been informed of such case by the management.
- (xi) The Company has not paid any managerial remuneration therefore the provision of Section 197 of Companies Act 2013 has not been applicable.
- (xii) The company is not a Nidhi company, therefore the provisions of paragraph 3(xii) of the order is not applicable.
- (xiii) According to the information and explanations given to us and on the basis of our examination of books of accounts, the company has not granted any loans secured or unsecured, to companies, firms and other parties listed in the register maintained section 177 and 188 of companies Act 2013. Consequently the provisions of the order are not applicable to the company.
- (xiv) Company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review, therefore the requirement of Section 42 of Companies Act' 2013 need not be complied with.
- (xv) Company has not entered into any non-cash transaction with directors or person connected with him and therefore the provisions of section 192 of the Companies Act' 2013 has been complied with.
- (xvi) Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Sumit Mohit & Company
Chartered Accountants
FRN: 021502N

Sd/-
Sumit Garg
(Partner)
M. No.: 506945
Place: New Delhi
Date: April 22, 2017

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

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 Venture Capital Management Company Limited, ("the Company")** as on 31 March 2017 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 Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the

preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Sumit Mohit & Company
Chartered Accountants
FRN: 021502N

Sd/-
Sumit Garg
(Partner)
M. No.: 506945
Place: New Delhi
Date: April 22, 2017

Indiabulls Venture Capital Management Company Limited

Balance Sheet as at March 31, 2017

Particular's	Note	As at March 31, 2017 Amount (Rs.)	As at March 31, 2016 Amount (Rs.)
I. Equity and Liabilities			
Shareholder's Funds			
(a) Share Capital	3	500,000	500,000
(b) Reserves and Surplus	4	139,418	54,942
		<u>639,418</u>	<u>554,942</u>
Current Liabilities			
(a) Other current liabilities	5	28,750	28,625
(b) Short-term provisions	6	25,890	48,852
		<u>54,640</u>	<u>77,477</u>
Total of Equity and Liabilities		<u><u>694,058</u></u>	<u><u>632,419</u></u>
II.Assets			
Current assets			
(a) Cash and bank balances	7	694,058	632,419
		<u>694,058</u>	<u>632,419</u>
Total of Assets		<u><u>694,058</u></u>	<u><u>632,419</u></u>
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statement

As per our report of even date

For Sumit Mohit & Company
Chartered Accountants
FRN: 021502N

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

Sd/-
Sumit Garg
Partner
M. No. 506945

Sd/-
Akshay Gupta
Director
DIN: 01272080

Sd/-
Ashok Brijmohan Kacker
Director
DIN: 01647408

Place: New Delhi
Date: April 22, 2017

Place: New Delhi
Date: April 22, 2017

Indiabulls Venture Capital Management Company Limited
Statement of Profit and Loss for the year ended March 31, 2017

Particular's	Note	For the year ended March 31, 2017 Amount (Rs.)	For the year ended March 31, 2016 Amount (Rs.)
I. Revenue			
Revenue from operation	8	200,000	300,000
Other Income	9	-	7,268
I. Total Revenue		200,000	307,268
II. Expenses			
Financial costs	10	7,179	9,784
Other expenses	11	46,369	52,085
II. Total Expenses		53,548	61,869
III. Profit/(Loss) before tax (I - II)		146,452	245,399
IV. Tax expense:			
Current tax		45,890	78,852
Prior year tax adjustment		16,086	10,891
		61,976	89,743
V. Profit/(Loss) after tax (III-IV)		84,476	155,656
VI. Earning per equity share:	16		
- Basic		1.69	3.11
- Diluted		1.69	3.11
- Nominal Value per Equity Share		10.00	10.00

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statement

As per our report of even date

For Sumit Mohit & Company
Chartered Accountants
FRN: 021502N

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

Sd/-
Sumit Garg
Partner
M. No. 506945

Sd/-
Akshay Gupta
Director
DIN: 01272080

Sd/-
Ashok Brijmohan Kacker
Director
DIN: 01647408

Place: New Delhi
Date: April 22, 2017

Place: New Delhi
Date: April 22, 2017

Indiabulls Venture Capital Management Company Limited

Cash Flow Statement for the year ended March 31, 2017

	For the year ended March 31, 2017 Amount (Rs.)	For the year ended March 31, 2016 Amount (Rs.)
A Cash flows from operating activities		
Net Profit/(Loss) as per statement of Profit & Loss	146,452	245,399
Adjustments for:		
Interest on fixed deposits	-	(7,268)
Operating profit before working capital changes	146,452	238,131
(Decrease) / Increase in other current liabilities	125	535
Cash generated from(used in) operations	146,577	238,666
Taxes Paid	(84,938)	(118,641)
Net cash used in operating activities	61,639	120,025
B Cash flows from investing activities		
Interest received on fixed deposit	-	18,515
Net cash generated from/(used in) investing activities	-	18,515
C Cash flows from financing activities		
Net cash generated from (used In) financing activities	-	-
D Net decrease in cash and cash equivalents (A+B+C)	61,639	138,540
E Cash and cash equivalents at the beginning of the year	632,419	493,879
F Cash and cash equivalents at the end of the year (D+E)	694,058	632,419

Note :

1 The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in Accounting Standard (AS)-3 'Cash Flow Statements' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.

2 Cash and Cash equivalents as at the end of the year include:

Cash and Bank Balances (Refer Note no.7)

- Cash on Hand	5,035	5,535
- Balances with scheduled banks In current accounts	689,023	626,884
	694,058	632,419

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-

As per our report on even date

For Sumit Mohit & Company
Chartered Accountants
FRN: 021502N

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

Sd/-
Sumit Garg
Partner
M. No. 506945

Sd/-
Akshay Gupta
Director
DIN: 01272080

Sd/-
Ashok Brijmohan Kacker
Director
DIN: 01647408

Place: New Delhi
Date: April 22, 2017

Place: New Delhi
Date: April 22, 2017

Indiabulls Venture Capital Management Company Limited

Notes forming part of Balance Sheet as at March 31, 2017 and Statement of Profit and Loss for the year ended March 31, 2017

Note - 1

Corporate Information

Indiabulls Venture Capital Management Company Limited ("the Company") was incorporated on March 03, 2010. The Company is yet to commence its business activities.

Note - 2

Significant Accounting Policies

i) Basis of Accounting:

The financial statements are prepared under the historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and Accounting Standards (AS) under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act") as applicable. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation.

ii) Use of Estimates:

The presentation of financial statements in conformity with GAAP requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known / materialised.

iii) Revenue Recognition:

- Income from consultancy services is recognized on an accrual basis as and when the related services are rendered.
- Commission/ Brokerage income is recognized on accrual basis as the related services are rendered
- Interest income is recognized on accrual basis.
- Dividend income on units of Mutual Fund is recognised when the right to receive dividend is unconditionally established.

iv) Stock of Securities:

Stock of securities is valued at lower of cost and net realisable value. Cost is determined on weighted average basis.

v) Borrowing Cost:

Borrowing costs that are attributable to the acquisition, construction, or production of qualifying assets are capitalised as part of cost of the asset. All other borrowing costs are charged to revenue.

vi) Investments:

Investments are classified as non current and current investments. Non Current investments are carried at cost less provision, if any, for any diminution other than temporary in their value. Current investments are valued at lower of cost and fair value.

vii) Share Issue Expenses/Preliminary Expenses:

Preliminary Expenses are adjusted net of tax, against Securities Premium Account to the extent of balance available and thereafter, the balance portion is charged off to the statement of profit and loss, as incurred.

viii) Taxes on Income:

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with the relevant tax regulations.

Deferred tax resulting from timing differences between book and tax profits is accounted for at the current rate of tax / substantively enacted tax rates as on the Balance Sheet date, to the extent that the timing differences are expected to crystallise.

Deferred Tax Assets are recognized where realization is reasonably certain, whereas, in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognized only if there is virtual certainty of realization supported with convincing evidence. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

ix) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent liabilities are disclosed for

- (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made. Contingent Assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized.

Indiabulls Venture Capital Management Company Limited
Notes forming part of financial statements as at March 31, 2017

	As at March 31, 2017 Amount (Rs.)	As at March 31, 2016 Amount (Rs.)
Note - 3		
Share capital		
Authorised: 500,000 Equity Shares of Rs.10 each	<u>5,000,000</u>	<u>5,000,000</u>
Issued, Subscribed and Paid up: 50,000 (Previous Year 50,000) Equity Shares of Rs 10 each fully paid-up	500,000	500,000
Total of Share capital	<u>500,000</u>	<u>500,000</u>

The company has only one class of equity shares of Rs. 10 each fully paid up. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors if any is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.

Share Capital Reconciliation Particulars	Equity Shares		Equity Shares	
	No. of shares	Rs.	No. of shares	Rs.
Opening No. of shares Outstanding	50,000	500,000	50,000	500,000
Shares Issued during the Year	-	-	-	-
Shares Brought back during the Year	-	-	-	-
Closing No. of shares Outstanding	50,000	500,000	50,000	500,000

Detail of Shareholders holding 5% or more shares

Name of Shareholder	No. of Shares	% of Holding	No. of Shares	% of Holding
	50,000	100%	50,000	100%

The entire Paid up equity share capital held by Holding company - Indiabulls Holdings Limited and Its Nominees.

Note - 4
Reserves & surplus

Deficit as per statement of profit and loss account	54,942	(100,714)
Loss for the year	84,476	155,656
Total of Reserves & surplus	<u>139,418</u>	<u>54,942</u>

Note - 5
Other current liabilities

Other current liabilities	28,750	28,625
Total of Other current liabilities	<u>28,750</u>	<u>28,625</u>

Note - 6
Short-term Provisions

Provision for tax [Net of TDS of Rs. 20,000 (Previous Year Rs,30,000)]	25,890	48,852
Total of Short-term Provision	<u>25,890</u>	<u>48,852</u>

Indiabulls Venture Capital Management Company Limited
Notes forming part of financial statements as at March 31, 2017

	For the year ended March 31, 2017 Amount (Rs.)	For the year ended March 31, 2016 Amount (Rs.)
Note - 7		
Cash and cash equivalents:		
(a) Balances with scheduled banks In current accounts	689,023	626,884
(b) Cash on hand	5,035	5,535
Total of Cash and bank balances	694,058	632,419
Note - 8		
Revenue from operations		
Advisory / Consultancy Income	200,000	300,000
Total of Revenue from operation	200,000	300,000
Note - 9		
Other income		
Interest on fixed deposits	-	7,268
Total of Other income	-	7,268
Note - 10		
Financial costs		
Interest on Taxes	7,179	9,784
Total of financial cost	7,179	9,784
Note - 11		
Other expenses		
Rates & Taxes	1,500	7,500
Auditor's Remuneration (inclusive of service tax of Rs. 3,750/-)		
- As Auditors	28,750	28,625
Miscellaneous expenses	16,119	15,960
Total of other expenses	46,369	52,085

Indiabulls Venture Capital Management Company Limited
Notes forming part of financial statements as at March 31, 2017

Note - 12

Segment Reporting:

Considering the nature of Company's business and operations and based on the information available with the management, there are no reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard (AS) – 17 on Segment Reporting as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended. Hence, no further disclosures are required in respect of reportable segments, under AS-17, other than those already provided in the financial statements.

Note - 13

Disclosures in respect of AS - 18 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended:

(a) Details of related parties:

Description of relationship	Names of related parties
Holding Company:	Indiabulls Holdings Limited
Ultimate Holding Company:	Indiabulls Housing Finance Limited
Entities under common control:	Indiabulls Venture Capital Trustee Company Limited
	Indiabulls Insurance Advisors Limited
	Nilgiri Financial Consultants Limited (Subsidiary of Indiabulls Insurance Advisors Limited)
	Ibolls Sales Limited
	Indiabulls Advisory Services Limited
	Indiabulls Asset Reconstruction Company Limited (Subsidiary of Indiabulls Advisory Services Limited) up to October 2, 2016
	Indiabulls Asset Holding Company Limited
	Indiabulls Asset Management Company Limited
	Indiabulls Capital Services Limited
	Indiabulls Collection Agency Limited
	Indiabulls Commercial Credit Limited (formally known as Indiabulls Infrastructure Credit Limited)
	Indiabulls Asset Management Mauritius (Subsidiary of Indiabulls Commercial Credit Limited) w.e.f. 18th July, 2016
	Indiabulls Life Insurance Company Limited
Indiabulls Trustee Company Limited	
Associate of Ultimate Holding Company	Oaknorth Holdings Limited
Key Management Personnel:	Mr. Ashok Brijmohan Kacker (Director)
	Mr. Akshay Gupta (Director)
	Mr. Rana Praveen Kumar (Director)

(b) Significant Transactions with Related Parties as at March 31, 2017 Rs. Nil (Previous year Rs. Nil).

(c) Statement of Material Transactions as at March 31, 2017 Rs. Nil (Previous year Rs. Nil).

(d) Amount outstanding as at March 31, 2017 Rs. Nil (Previous year Rs. Nil).

In accordance with AS 18, disclosures in respect of transactions with identified related parties are given only for such period during which the relationship existed. Related party relationships as given above are as identified by the Company and relied upon by the auditors.

Note - 14

Disclosures in respect of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as required vide Notification No. G.S.R. 308 (E) dated 30th March, 2017 issued by the Ministry of Corporate Affairs:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	5,500	35	5,535
(+) Permitted receipts	-	5,000	5,000
(-) Permitted paymets	-	-	-
(-) Amount deposited in Banks	5,500	-	5,500
Closing cash in hand as on 30.12.2016	-	5,035	5,035

Indiabulls Venture Capital Management Company Limited
Notes forming part of financial statements as at March 31, 2017

Note - 15

Employees Stock Options Schemes of Indiabulls Housing Finance Limited (“the Ultimate Holding Company” “IHFL”):

(a) Stock option schemes of the erstwhile Holding Company including schemes in lieu of stock options schemes of erstwhile fellow subsidiary Indiabulls Credit Services Limited transferred under the Court approved Scheme of Arrangement:

S. No.	ERSTWHILE PLANS	NEW PLANS*
1	IBFSL – ICSL Employees Stock Option Plan – 2006	IHFL- IBFSL Employees Stock Option Plan – 2006
2	IBFSL – ICSL Employees Stock Option Plan II – 2006	IHFL - IBFSL Employees Stock Option Plan II – 2006
3	IBFSL – Employees Stock Option – 2008	IHFL - IBFSL Employees Stock Option – 2008

*The name of the schemes has been revised by the approval of the Shareholders of the Holding Company in the 8th Annual General Meeting held on July 1, 2013.

(b) **IHFL ESOS - 2013**

The members of the Company at their Meeting dated March 6, 2013 approved the IHFL ESOS - 2013 scheme consisting of 39,000,000 stock options representing 39,000,000 fully paid up Equity Shares of Rs. 2 each of the Company to be issued in one or more tranches to eligible employees of the Company or to eligible employees of the subsidiaries / step down subsidiaries of the Company. The Compensation Committee constituted by the Board of Directors of the Company has, at its meeting held on October 11, 2014, granted, 10,500,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 394.75, being the then latest available closing market price on the National Stock Exchange of India Ltd. as on October 10, 2014 following the intrinsic method of accounting as is prescribed in the Guidance Note issued by the Institute of Chartered Accountants of India on Accounting for Employees Share Based Payments (“the Guidelines”). As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. These options vest with effect from the first vesting date i.e. October 11, 2015, whereby the options vest on each vesting date as per the vesting schedule provided in the Scheme.

Particulars	IHFL-IBFSL Employees Stock Option Plan – 2006	IHFL-IBFSL Employees Stock Option Plan II – 2006	IHFL-IBFSL Employees Stock Option – 2008	IHFL ESOS - 2013	IHFL-IBFSL Employees Stock Option – 2008 -Regrant	IHFL-IBFSL Employees Stock Option – 2008-Regrant	IHFL-IBFSL Employees Stock Option Plan – 2006 -Regrant	IHFL-IBFSL Employees Stock Option – 2008 -Regrant	IHFL-IBFSL Employees Stock Option Plan II – 2006 -Regrant
Total Options under the	1,440,000	720,000	7,500,000	39,000,000	N.A.	N.A.	N.A.	N.A.	N.A.
Options issued	1,440,000	720,000	7,500,000	10,500,000	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Period and Percentage	Four years,25% each year	Four years,25% each year	Ten years,15% First year, 10% for next eight years and 5% in last year	Five years, 20% each year	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Date	1st April	1st November	8th December	12th October	31st December	16th July	27th August	11th January	27th August
Revised Vesting Period & Percentage	Eight years, 12% each year for 7 years and 16% during the 8th year	Nine years,11% each year for 8 years and 12% during the 9th year	N.A.	N.A.	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	41.67	100.00	95.95	394.75	125.90	158.50	95.95	153.65	100.00
Exercisable Period	4 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year (Nos.)	58,536	46,422	1,228,919	8,686,025	33,840	97,810	237,000	7,500	131,400
Regrant Addition	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Regrant Date	N.A.	N.A.	N.A.	N.A.	December 31, 2009	July 16, 2010	August 27, 2009	January 11, 2011	August 27, 2009
Options vested during the year (Nos.)	55,656	24,168	412,335	2,062,000	6,390	19,440	39,500	1,500	21,900
Exercised during the year (Nos.)	55,656	29,682	493,666	1,830,144	11,430	19,200	79,000	1,500	43,800
Expired during the year (Nos.)	-	-	-	-	-	-	-	-	-
Cancelled during the year	-	-	-	-	-	-	-	-	-
Lapsed during the year	2,880	396	11,075	160,800	2,700	-	-	-	-
Re-granted during the year	-	-	-	-	N.A.	N.A.	N.A.	N.A.	N.A.
Outstanding at the end of the year (Nos.)	-	16,344	724,178	6,695,081	19,710	78,610	158,000	6,000	87,600
Exercisable at the end of the year (Nos.)	-	16,344	105,672	597,881	540	850	39,500	-	21,900
Remaining contractual Life (Weighted Months)	NA	49	70	76	80	81	71	87	71

N.A - Not Applicable

Indiabulls Venture Capital Management Company Limited
Notes forming part of financial statements as at March 31, 2017

Note - 16

Earning per share

The basic earning per equity share is computed by dividing the net Loss attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. Diluted earnings per share are computed using the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date.

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Loss available for Equity shareholders – (Rs.)	84,476	155,656
Weighted average number of Shares used in computing Basic & Diluted Earning per share	50,000	50,000
Basic & Diluted Earnings Per Share - (Rs.)	1.69	3.11
Nominal Value of Equity Shares - (Rs.)	10.00	10.00

Note - 17

There are no contingent liabilities and commitments as at March 31, 2017 (Previous Year Rs. Nil).

Note - 18

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

Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	As At March 31, 2017	As At March 31, 2016
1. The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	--	--
2. The amount of interest paid by the buyer in terms of Section 16, of Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	--	--
3. The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	--	--
4. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	--	--
5. 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 of the Micro Small and Medium Enterprise Development Act, 2006	--	--

Note - 19

As per the best estimate of the management, no provision is required to be made as per Accounting Standard – 29 Provisions, Contingent Liabilities and Contingent Assets as notified under the Companies (Accounts) Rules, 2014, 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 - 20

The Provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952, are not applicable to the Company. Accordingly, there are no dues payable in respect of the said statutes as at March 31, 2017.

Indiabulls Venture Capital Management Company Limited
Notes forming part of financial statements as at March 31, 2017

Note - 21

As per Accounting Standard-22 Accounting for Taxes on Income, notified under the Companies (Accounts) Amendment Rules, 2014, the timing difference on account of preliminary expenses, results in net deferred tax credit. However, as a prudent measure the net deferred tax asset in respect of the above has not been recognised in the accounts.

Note - 22

In respect of amounts as mentioned under Section 205C of the Companies Act, 1956, there were no dues required to be credited to the Investor Education and Protection Fund as on March 31, 2017 (Previous year Rs. Nil).

Note - 23

In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at March 31, 2017 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. In the opinion of the Board of Directors, no provision is required to be made against the recoverability of these balances.

Note - 24

The company is following all the accounting standards as notified by the Central Government to the extent applicable to it.

Note - 25

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

As per our report of even date

For Sumit Mohit & Company
Chartered Accountants
FRN: 021502N

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

Sd/-
Sumit Garg
Partner
M. No. 506945

Sd/-
Akshay Gupta
Director
DIN: 01272080

Sd/-
Ashok Brijmohan Kacker
Director
DIN: 01647408

Place: New Delhi
Date: April 22, 2017

Place: New Delhi
Date: April 22, 2017