

## **INDEPENDENT AUDITOR'S REPORT**

To the Trustees of IBHFL Lender Repayment Trust

We have audited the accompanying financial statements of IBHFL Lender Repayment Trust (hereinafter referred to as the 'the Trust'), which comprise the Balance Sheet as at March 31, 2018 and the Revenue account for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Trustee's Responsibility for the Financial Statements**

The Trustees of the trust are responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Trust in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Trustee, 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.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance sheet, of the state of affairs of the Trust as at March 31, 2018;
- (b) in the case of the Revenue account, of the Surplus of the Trust for the year ended on that date.

### **Other matters - restriction of use**

This report is made solely to the Trustees of IBHFL Lender Repayment Trust. Our audit work has been undertaken so that we might state to the Trustees, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees of IBHFL Lender Repayment Trust for our audit work, for this report, or for the opinions we have formed.

For **Sumit Mohit & Company**

Chartered Accountants

FRN: 021502N

Sd/-

**Sumit Garg**

Partner

M No.:506945

Place: New Delhi

Date: April 16, 2018

**IBHFL LENDER REPAYMENT TRUST**  
**Statement of Affairs as at March 31, 2018**

Particular's	Note	As at March 31, 2018 Amount (Rs.)
<b>I. Equity and Liabilities</b>		
<b>Funds</b>		
(a) Corpus Fund	3	775,643,443
(b) Sundry Creditor	4	312
<b>Total of Equity and Liabilities</b>		<u><u>775,643,755</u></u>
<b>II. Assets</b>		
<b>Current assets</b>		
(a) Current Investments	5	264,601,696
(b) Cash and bank balances	6	511,042,059
<b>Total of Assets</b>		<u><u>775,643,755</u></u>
		-

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Sumit Mohit & Company  
Chartered Accountants  
FRN: 021502N

For and on behalf of the IBHFL Lender Repayment Trust

Sd/-  
Sumit Garg  
Partner  
M. No. 506945

Sd/-  
**Axis Trustee Services Limited**  
Makarand Kulkarni  
(Authorised Signatory)

Sd/-  
Rahul Vaishya  
(Authorised Signatory)

Place: New Delhi  
Date: April 16, 2018

**IBHFL LENDER REPAYMENT TRUST**

**Receipts & Payments Accounts for the year ended 31st March 2018**

**Receipts**

**Amount (Rs.)**

**Opening Balances**

- Bank	-	-
- Funds received from IBHFL	427,862,608,626	
- Redemption of Investment	1,900,806,395,593	2,328,669,004,219
	<b>Total</b>	<b><u>2,328,669,004,219</u></b>

**Payments**

- Paid towards Investments	1,900,546,000,644	
- Repayment to IHFL Lenders	427,090,083,713	
- Amount transfer to IBHFL	521,825,617	
- Amount transfer to Indiabulls Foundation	52,187	2,328,157,962,161

**Closing Balance**

- Bank	511,042,059	511,042,059
	<b>Total</b>	<b><u>2,328,669,004,220</u></b>

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 IBHFL Lender Repayment Trust

Sd/-  
Sumit Garg  
Partner  
M. No. 506945

Sd/-  
**Axis Trustee Services Limited**  
Makarand Kulkarni  
(Authorised Signatory)

Sd/-  
Rahul Vaishya  
(Authorised Signatory)

Place: New Delhi  
Date: April 16, 2018

## IBHFL LENDER REPAYMENT TRUST

### Statement of Income and Expenditure for the year ended March 31, 2018

Particular's	For the year ended March 31, 2018	
	Amount (Rs.)	
I. <b>Income</b>		
Income from Investment		524,996,644
	<b>I. Total Income</b>	<b>524,996,644</b>
II. <b>Payments</b>		
Other expenses		-
	<b>II. Total Expenses</b>	<b>-</b>
III. <b>Income over expenditure</b>		<b>524,996,644</b>
IV. <b>Appropriation:</b>		
Indiabulls Housing Finance Limited		524,996,644
	<b>Balance C/f</b>	<b>-</b>

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 IBHFL Lender Repayment Trust

Sd/-  
Sumit Garg  
Partner  
M. No. 506945

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**Axis Trustee Services Limited**  
Makarand Kulkarni  
(Authorised Signatory)

Sd/-  
Rahul Vaishya  
(Authorised Signatory)

Place: New Delhi  
Date: April 16, 2018

## IBHFL Lender Repayment Trust

### Notes forming part of financial statement as at March 31, 2018

#### Note - 1

##### Corporate Information

IBHFL Lender Repayment Trust ("the Trust") was incorporated on August 17, 2017 by Indiabulls Housing Finance Limited ("IBHFL") in favour of Axis Trustee Services Limited ("the Trustee") in order to manage its payment obligations towards Lenders and facilitate such payments and repayments to its Lenders in a streamlined manner and for ensuring that such payments or prepayments do not get impacted, in any manner, on accounts of any operational constraint at the end of IBHFL.

#### 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:

- 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) 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.

###### v) 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.

**IBHFL Lender Repayment Trust**  
**Notes forming part of financial statement as at March 31, 2018**

	<b>As At March 31, 2018 Amount (Rs.)</b>
<b>Note - 3</b>	
<b>Corpus Fund</b>	
Indiabulls Housing Finance Limited	775,643,443
<b>Total of Funds</b>	<b>775,643,443</b>

	<b>As At March 31, 2018 Amount (Rs.)</b>
<b>Note - 4</b>	
<b>Sundry Creditors</b>	
Indiabulls Foundation	312
<b>Total of Sundry Creditors</b>	<b>312</b>

	<b>As At March 31, 2018 Amount (Rs.)</b>
<b>Note - 5</b>	
<b>Current Investments</b>	
Investment in HDFC Liquid Fund Direct Plan Growth Option [ No.of units 15477.187 ( Previous year : Nil ) NAV 3419.2479 (Previous year Rs. Nil) per unit ]	52,920,339
Investment in Aditya Birla SunLife Cash Plus Growth Direct Plan [ No.of units 189755.965 ( Previous year : Nil ) NAV 278.8863 (Previous year Rs. Nil) per unit ]	52,920,339
Investment in ICICI Prudential Liquid Fund - Direct Plan Growth [ No.of units 206156.285 ( Previous year : Nil ) NAV 256.7001 (Previous year Rs. Nil) per unit ]	52,920,339
Investment in Reliance Liquid Treasury Plan - Direct - Growth [ No.of units 12500.307 ( Previous year : Nil ) NAV 4233.5232 (Previous year Rs. Nil) per unit ]	52,920,339
Investment in SBI Premier Liquid Fund - Direct - Growth [ No.of units 19457.307 ( Previous year : Nil ) NAV 2719.8183 (Previous year Rs. Nil) per unit ]	52,920,339
<b>Total of Current Investments</b>	<b>264,601,696</b>

	<b>As At March 31, 2018 Amount (Rs.)</b>
<b>Note - 6</b>	
<b>Cash and cash equivalents</b>	
Balances with scheduled banks In current accounts	511,042,059
<b>Total of Cash and bank balances</b>	<b>511,042,059</b>

**IBHFL Lender Repayment Trust**  
**Notes forming part of financial statement as at March 31, 2018**

**For the year ended**  
**March 31, 2018**  
**Amount (Rs.)**

**Note - 7**

**Revenue**

Income from Investment

524,996,644

**Total of Revenues**

**524,996,644**

**Note - 8**

There are no contingent liabilities and commitments as at March 31, 2018 (Previous Year Rs. Nil).

**Note - 9**

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

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 IBHFL Lender Repayment Trust

Sd/-  
Sumit Garg  
Partner  
M. No. 506945

Sd/-  
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Date: April 16, 2018