

**Independent Auditor's Report
To The Members of
Ibolls Sales Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of Ibolls Sales Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows 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; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 thereunder.

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 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 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 statements, 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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 at 31st March, 2018, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";

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

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

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

Sd/-
Rahul Mukhi
Partner
Membership No.099719
New Delhi, April 17, 2018

Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Ibulls Sales Limited for the year ended March 31, 2018

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

- (i) In respect of its Fixed Assets:
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) These fixed assets have been physically verified by the management at reasonable intervals in accordance with a regular programme of verification. According to the information and explanation given to us, no material discrepancies were noticed on such verification;
 - (c) The Company does not own immovable properties.
- (ii) The Company does not have any inventories; accordingly, the provisions of clause 3 (ii) of the Order are not applicable to the Company.
- (iii) According to information and explanations given to us, the Company has not granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) According to information and explanations given to us, the Company has not entered into transactions in respect of loans, investments, guarantees and security, covered under section 185 and 186 of the Companies Act, 2013.
- (v) According to information and explanations given to us, the Company has not accepted any deposits during the year. Accordingly, the provisions of clause 3 (v) are not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 Companies Act, 2013 to the products/services of the Company. Accordingly, the provisions of clause 3 (vi) are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities, to the extent applicable to it. There are no arrears of outstanding statutory dues as at March 31, 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the Company did not have any dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company did not have any dues in respect of loans or borrowing to a financial institution, bank, government or dues to debenture holders.

- (ix) According to the information and explanations given to us, the Company has not raised moneys raised by way of public issue, follow-on offer (including debt instruments) and term loans, during the year under audit.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers/ employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us, the Company has not paid or provided any managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 to the extent applicable and the details have been disclosed in Note 30 to the Financial Statements as required by the accounting standards and Companies Act, 2013.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Sd/-
Rahul Mukhi
Partner
Membership No.099719
New Delhi, April 17, 2018

Annexure B to the Independent Auditor's Report of even date on the Financial Statements of Ibulls Sales Limited for the year ended March 31, 2018

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 Ibulls Sales Limited ("the Company") as of March 31, 2018 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. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-
Rahul Mukhi
Partner
Membership No.099719
New Delhi, April 17, 2018

Ibolls Sales Limited
Balance Sheet as at March 31,2018

Particulars	Note No.	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
I. Equity and liabilities			
Shareholders funds			
(a) Share capital	3	5,00,000	5,00,000
(b) Reserves and surplus	4	<u>9,77,81,596</u>	<u>6,66,69,227</u>
		9,82,81,596	6,71,69,227
Non - current liabilities			
Long term provisions	5	<u>21,27,973</u>	<u>24,10,164</u>
		21,27,973	24,10,164
Current liabilities			
(a) Other current liabilities	6	18,77,327	4,56,72,474
(b) Short term provisions	7	<u>88,21,366</u>	<u>12,67,149</u>
		1,06,98,693	4,69,39,623
	Total	<u>11,11,08,262</u>	<u>11,65,19,014</u>
II.Assets			
Non - current assets			
(a) Fixed assets			
Tangible assets	8	1,67,740	-
(b) Deferred tax assets (net)	9	6,03,691	8,02,765
(c) Long term loans and advances	10	<u>77</u>	<u>2,39,399</u>
		7,71,508	10,42,164
Current assets			
(a) Current Investments	11	-	11,50,00,000
(b) Cash and cash equivalents	12	9,66,48,613	4,14,997
(c) Short term loans and advances	13	1,36,46,571	61,853
(d) Other current assets	14	<u>41,570</u>	<u>-</u>
		11,03,36,754	11,54,76,850
	Total	<u>11,11,08,262</u>	<u>11,65,19,014</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 Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N

For and on behalf of the Board of Directors of
Ibolls Sales Limited

Sd/-
Rahul Mukhi
Partner
Membership No. 099719
New Delhi, April 17, 2018

Sd/-
Akash Malik
Director
DIN : 07098562
New Delhi, April 17, 2018

Sd/-
Ravi Dutt Sharma
Director
DIN : 07162530

Ibolls Sales Limited
Statement of Profit and Loss for the year ended March 31,2018

Particulars	Note No.	For the year ended March 31, 2018 Amount (Rs.)	For the year ended March 31, 2017 Amount (Rs.)
Income			
I. Revenue from operations	15	17,97,50,000	6,05,00,000
II. Other income	16	1,02,81,952	49,57,010
III. Total revenue	(I+II)	<u>19,00,31,952</u>	<u>6,54,57,010</u>
IV. Expenses:			
Employee benefits expense	17	2,03,73,787	1,80,02,563
Finance costs	18	2,97,585	16,62,435
Depreciation		2,260	-
Other expenses	19	12,51,68,810	4,03,23,965
V. Total expenses		<u>14,58,42,442</u>	<u>5,99,88,963</u>
VI. Profit/(Loss) before exceptional and extraordinary items and tax	(III - IV)	4,41,89,510	54,68,047
VII. Exceptional items		-	-
VIII. Profit/(Loss) before extraordinary items and tax (VI - VII)		4,41,89,510	54,68,047
IX. Extraordinary items		-	-
X. Profit/(Loss) before tax (VIII - IX)		4,41,89,510	54,68,047
XI. Tax expense:			
(1) Current Tax		1,21,92,030	24,75,480
(2) Tax expenses of earlier years		6,86,037	-
(3) Deferred tax expenses/(credit)		1,99,074	(1,09,137)
		<u>1,30,77,141</u>	<u>23,66,343</u>
XII. Profit/(Loss) for the year from continuing operations (X-XI)		3,11,12,369	31,01,704
XIII. Profit/(Loss) from discontinuing operations		-	-
XIV. Tax expense of discontinuing operations		-	-
XV. Profit/(Loss) from discontinuing operations after tax (XIII - XIV)		-	-
XVI. Profit/(Loss) for the year (XII + XV)		<u>3,11,12,369</u>	<u>31,01,704</u>
XVII. Earnings per equity share:	31		
(1) Basic		622.25	62.03
(2) Diluted		622.25	62.03
(3) 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 statements

As per our report of even date

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

For and on behalf of the Board of Directors of
Ibolls Sales Limited

Sd/-
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Partner
Membership No. 099719
New Delhi, April 17, 2018

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Akash Malik
Director
DIN : 07098562
New Delhi, April 17, 2018

Sd/-
Ravi Dutt Sharma
Director
DIN : 07162530

Ibolls Sales Limited
Cash flow statement for the year ended March 31,2018

	For the year ended March 31, 2018 Amount (Rs.)	For the year ended March 31, 2017 Amount (Rs.)
A Cash flow from operating activities :		
Net Profit before tax	4,41,89,510	54,68,047
Adjustments for :		
Interest income on fixed deposits	(46,189)	-
Profit on redemption of mutual funds	(96,46,896)	(49,57,010)
Provision for gratuity	40,469	3,18,484
Provision for compensated absences	(95,652)	38,336
Depreciation	2,260	-
Operating profit before working capital changes	3,44,43,502	8,67,857
Changes in working capital:		
Long term and short term provisions	(1,68,375)	-
Other current liabilities	(4,37,95,147)	4,49,37,139
Long-term and Short-term loans and advances	(1,35,84,718)	3,296
Cash generated from/(used in) operations	(2,31,04,738)	4,58,08,292
Direct taxes (paid)/refund (net)	(51,43,163)	(1,53,17,377)
Net cash generated from/(used in) operating activities	(2,82,47,901)	3,04,90,915
B Cash flow from investing activities		
Purchase of fixed assets	(1,70,000)	-
Interest received	4,619	-
(Investment in)/Proceeds from redemption of units of mutual funds (net)	12,46,46,898	(3,30,42,990)
Net cash generated from/(used in) investing activities	12,44,81,517	(3,30,42,990)
C Cash flow from financing activities		
Net cash generated from/(used in) financing activities	-	-
D Net increase / (decrease) in cash and cash equivalents (A+B+C)	9,62,33,616	(25,52,075)
E Cash and cash equivalents at the beginning of the year	4,14,997	29,67,072
F Cash and cash equivalents at the close of the year (D + E)	9,66,48,613	4,14,997

Note :

- Figures for the previous year have been regrouped wherever considered necessary.
- 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.
- Cash and Cash equivalents as at the close of the year [Refer Note: 12]:

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Cash on hand	4,285	5,119
Balances with scheduled banks		
In Current accounts	2,33,44,328	4,09,878
In deposit accounts	7,33,00,000	-
- less than three months maturity		
Cash and cash equivalents at the end of the year	9,66,48,613	4,14,997

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

For and on behalf of the Board of Directors of
Ibolls Sales Limited

Sd/-
Rahul Mukhi
Partner
Membership No. 099719
New Delhi, April 17, 2018

Sd/-
Akash Malik
Director
DIN : 07098562
New Delhi, April 17, 2018

Sd/-
Ravi Dutt Sharma
Director
DIN : 07162530

Ibolls Sales Limited
Notes to financial statements for the year ended March 31, 2018

Note - 1

Corporate information:

Ibolls Sales Limited ("the Company"), was incorporated as Fast Loans Services Limited on October 9, 2006 as a wholly owned subsidiary of Indiabulls Financial Services Limited ("IBFSL") with an authorized capital of Rs. 5,000,000 divided into 500,000 equity shares of Rs. 10 each. On March 9, 2010, pursuant to the approval of its members, the Company increased its Authorised Capital to Rs. 50,000,000 divided into 5,000,000 equity shares of Rs.10 each. During the year ended March 31, 2016 the Company was primarily engaged in acting as commission agent and providing related business auxilliary services .

In accordance with the provisions of Section 21 and other applicable provisions of the Companies Act, 1956, the members of the company at their Extraordinary General Meeting held on March 09, 2010, accorded their approval to change the name of the Company. The Company has since received fresh certificate of incorporation consequent upon change of name, from the Registrar of Companies, National Capital Territory of Delhi & Haryana, dated March 11, 2010. Accordingly, the name of the Company was changed from Fast Loans Services Limited to Indiabulls Sales Limited. Further in accordance with the provisions of Section 21 and other applicable provisions of the Companies Act, 1956, the members of the company at their Extraordinary General Meeting held on March 12, 2010, accorded their approval to change the name of the Company. The Company has since received fresh certificate of incorporation consequent upon change of name, from the Registrar of Companies, National Capital Territory of Delhi & Haryana, dated March 16, 2010. Accordingly, the name of the Company was changed from Indiabulls Sales Limited to Ibolls Sales Limited.

Note - 2

Summary of 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 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

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) Cash and cash equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

iv) Cash flow statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

v) Revenue recognition:

- (a) Income from commission/consultancy fees is recognized on an accrual basis as the related services are rendered.
- (b) Service charges is recognized on accrual basis as the related services are rendered
- (c) Interest income is recognized on accrual basis.
- (d) Dividend income on units of Mutual Fund is recognised when the right to receive dividend is unconditionally established.
- (e) Profit/ (loss) on redemption of units of Mutual Funds is recognised on actual basis.

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) Borrowing cost:

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

viii) Fixed assets:

(a) Tangible assets:

Tangible fixed assets are stated at cost, less accumulated depreciation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

(b) Intangible assets:

Intangible assets are stated at cost, less accumulated amortisation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition.

Ibolls Sales Limited
Notes to financial statements for the year ended March 31, 2018

ix) Depreciation / Amortisation:

Depreciation on tangible fixed assets is provided on straight-line method at the rates specified in Schedule II to the Companies Act, 2013.

Depreciation on additions to fixed assets is provided on a pro-rata basis from the date the asset is put to use. Depreciation on sale / deduction from fixed assets is provided for up to the date of sale / deduction, as the case may be. Assets costing less than Rs. 5,000 each are fully depreciated in the year of capitalisation.

Intangible assets consisting of Software are amortised on a straight line basis over a period of four years from the date when the assets are available for use.

x) Impairment of assets:

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

xi) Employee benefits:

The Company's contribution to Provident Fund and Employee State Insurance is charged to Statement of Profit and Loss. The Company has defined benefit plans namely compensated absences and gratuity for its employees, the liability for which is determined on the basis of an actuarial valuation conducted annually by an independent actuary, in accordance with Accounting Standards 15 (AS 15) Employee Benefits, as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended. Actuarial gains and losses are recognized in Statement of Profit and Loss as income or expenses. For the year ended March 31, 2017, as permitted under Accounting Standard 15 (Revised 2005) - Employee Benefits, 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 companies with few employees, retirement benefits in the form of Gratuity and Compensated Absences payable to employees is provided for on the accrual basis under the assumption that such benefits are payable at year end.

xii) Deferred employee stock compensation cost:

The Company follows intrinsic value method as per Guidance Note on Accounting for Employee Share-based Payments issued by The Institute of Chartered Accountants of India for accounting Employee Stock Options granted. Deferred employee stock compensation cost for stock options are recognized and measured by the difference between the estimated value of the Company's shares at the stock options grant date and the exercise price to be paid by the option holders. The compensation expense is amortized over the vesting period of the options. The fair value of options for disclosure purpose is measured on the basis of a valuation performed in respect of stock options granted.

xiii) 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 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 at the Balance Sheet Date as applicable 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 a virtual certainty of realization backed by convincing evidence. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

xiv) Leases:

In case of assets taken on operating lease the lease rentals are charged to the Statement of Profit and Loss on a straight line basis in accordance with Accounting Standard (AS) - 19-Leases.

xv) Preliminary expenses:

Preliminary expenses are adjusted against securities premium account (net of tax) to the extent of balance available and thereafter the balance portion is charged off to the Statement of Profit and Loss as incurred.

xvi) 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 liability is 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 recognized in the financial statements since this may result in the recognition of income that may never be realized.

xvii) Share issue expenses:

Share issue expenses are adjusted 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.

xviii) Segment reporting:

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

xix) Earnings per share:

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive potential equity shares outstanding during the year except where the results would be anti-dilutive.

Ibulls Sales Limited
Notes to financial statements for the year ended March 31,2018

Note - 3
Share capital:

	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Authorised:				
Equity Shares of face value of Rs. 10 each	5,00,000	50,00,000	5,00,000	50,00,000
Issued, subscribed and paid up:				
Equity Shares of face value of Rs. 10 each fully paid up	50,000	5,00,000	50,000	5,00,000
As per Balance Sheet		5,00,000		5,00,000

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

Equity Shares	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Shares outstanding at beginning of the reporting year	50,000	5,00,000	50,000	5,00,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at end of the reporting year	50,000	5,00,000	50,000	5,00,000

b. Terms/ rights attached to equity shares:

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

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

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

No. of shareholders	As at March 31, 2018		As at March 31, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of face value of Rs. 10 each fully paid up				
The entire share capital is held by Indiabulls Housing Finance Limited ("the holding Company") and its nominees	50,000	100%	50,000	100%

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

d. Employees stock option plans: (Refer Note 32)

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Note - 4		
Reserves and surplus:		
Surplus / (deficit) in the Statement of Profit and Loss		
Opening balance	6,66,69,227	6,35,67,523
Add : Profit/(Loss) during the year	3,11,12,369	31,01,704
As per Balance Sheet	9,77,81,596	6,66,69,227

Ibolls Sales Limited
Notes to financial statements for the year ended March 31,2018

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Note - 5		
Long term provisions:		
Provision for employee benefits (Refer Note 28):		
Provision for gratuity	16,12,975	17,85,721
Provision for compensated absences	5,14,998	6,24,443
As per Balance Sheet	21,27,973	24,10,164

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Note - 6		
Other current liabilities:		
Statutory liabilities	2,19,250	22,55,517
Temporary overdrawn bank balances as per books	-	4,18,55,849
Expenses payable	16,58,077	15,61,108
As per Balance Sheet	18,77,327	4,56,72,474

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Note - 7		
Short term provisions:		
(a) Provision for employee benefits (Refer Note 28):		
Provision for gratuity	44,840	-
Provision for compensated absences	13,793	-
(b) Provision for taxation		
	87,62,733	12,67,149
[Net of tax deducted at source and self assessment tax Rs. 13,764,777 (Previous year Rs. 9,068,331)]		
As per Balance Sheet	88,21,366	12,67,149

Note - 8
Tangible assets:

Particulars	Amount (Rs.)		
	Computers	Furniture & fixture	Total
Opening balance as at April 01, 2016	9,94,507	-	9,94,507
Additions during the year	-	-	-
Adjustments/Sales during the year	-	-	-
As at March 31, 2017	9,94,507	-	9,94,507
Additions during the year	-	1,70,000	1,70,000
Adjustments/Sales during the year	-	-	-
As at March 31, 2018	9,94,507	1,70,000	11,64,507
Depreciation			-
Opening balance as at April 01, 2016	6,37,610	-	6,37,610
Charge for the year	3,56,897	-	3,56,897
Adjustments/Sales during the year	-	-	-
As at March 31, 2017	9,94,507	-	9,94,507
Charge for the year	-	2,260	2,260
Adjustments/Sales during the year	-	-	-
As at March 31, 2018	9,94,507	2,260	9,96,767
Net block			-
As at March 31, 2017	-	-	-
As at March 31, 2018	-	1,67,740	1,67,740

Ibolls Sales Limited
Notes to financial statements for the year ended March 31,2018

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Note - 9		
Deferred tax assets (net):		
Deferred tax asset		
Arising on account of temporary differences due to:		
Disallowance under Section 40A(7) of the Income Tax Act,1961	4,56,769	5,90,413
Disallowance under Section 43B of the Income Tax Act,1961	1,45,695	2,06,460
On difference between book balance and tax balance of fixed assets	1,227	5,892
As per Balance Sheet	6,03,691	8,02,765

In compliance with AS - 22 'Accounting for Taxes on Income', as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, the Company has recorded deferred tax expenses of Rs. 199,074 (Previous year deferred tax credit Rs. 109,137) to the Statement of Profit and Loss for the year.

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Note - 10		
Long term loans and advances		
Unsecured considered goods		
Balance with government authorities		
Income tax recoverable	77	2,39,399
[Net of provision for taxation Rs. 15,507,300 (Previous year Rs. 20,227,748)]		
As per Balance Sheet	77	2,39,399

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Note - 11		
Current investments:		
(At lower of cost and fair value, unless otherwise stated)		
Non-trade, Unquoted		
Investment in units of mutual funds:		
-Indiabulls Liquid Fund - Direct Plan Growth	-	11,50,00,000
[No.of units Nil (Previous year : 52,180.473) NAV Rs. Nil (Previous year Rs. 1,475.6478) per unit]		
As per Balance Sheet	-	11,50,00,000
Aggregate book value of unquoted investments	-	11,50,00,000
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Note - 12		
Cash and cash equivalents:		
(a) Balances with scheduled banks		
In current accounts	2,33,44,328	4,09,878
In deposit accounts	7,33,00,000	-
- less than three months maturity		
(b) Cash on hand		
	4,285	5,119
As per Balance Sheet	9,66,48,613	4,14,997

Ibolls Sales Limited
Notes to financial statements for the year ended March 31,2018

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Note - 13		
Short term loans and advances:		
unsecured, considered good		
(a) Loans and advances to employees	46,636	46,636
	46,636	46,636
(b) Balances with government authorities		
GST input credit (Previous year Service tax input credit)	1,35,90,258	3,097
	1,35,90,258	3,097
(c) Other loan and advances		
Advances recoverable in cash or in kind or for value to be received	9,677	12,120
	9,677	12,120
As per Balance Sheet	1,36,46,571	61,853
	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Note - 14		
Other current assets:		
Income accrued:		
Interest accrued on fixed deposits	41,570	-
	41,570	-
As per Balance Sheet	41,570	-

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Ibolls Sales Limited
Notes to financial statements for the year ended March 31,2018

	For the year ended March 31, 2018 Amount (Rs.)	For the year ended March 31, 2017 Amount (Rs.)
Note - 15		
Revenue from operations:		
Service charges	17,97,50,000	6,05,00,000
As per Statement of Profit and Loss	17,97,50,000	6,05,00,000
Note - 16		
Other income:		
Interest income on fixed deposits	46,189	-
Interest on income tax refund	4,46,715	-
Profit on redemption of mutual funds	96,46,896	49,57,010
Miscellaneous Income	46,500	-
Provision for compensated absences written back	95,652	-
As per Statement of Profit and Loss	1,02,81,952	49,57,010
Note - 17		
Employee benefits expense:		
Salaries	1,95,72,733	1,72,60,566
Contribution to provident fund and other statutory funds	7,60,585	3,85,177
Provision for gratuity	40,469	3,18,484
Provision for compensated absences	-	38,336
As per Statement of Profit and Loss	2,03,73,787	1,80,02,563
Note - 18		
Finance costs:		
Interest on taxes	2,97,585	16,62,435
As per Statement of Profit and Loss	2,97,585	16,62,435
Note - 19		
Other expenses:		
Statutory fees	31,156	31,902
Professional and consultancy fees	21,250	23,994
Printing and stationary	41,213	12,810
Communication expenses	191	120
Commission	12,50,00,000	4,02,00,000
Miscellaneous expenses	-	30,139
Auditors' remuneration as statutory auditor	75,000	25,000
As per Statement of Profit and Loss	12,51,68,810	4,03,23,965

Ibolls Sales Limited
Notes to financial statements for the year ended March 31,2018

Note - 20

As per the best estimate of the management, no provision is required to be made as per Accounting Standard 29 (AS 29) -- 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 - 21

In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at March 31, 2018 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 - 22

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, 2018 (Previous year Rs. Nil).

Note - 23

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

Particulars	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
(iv) The amount of interest due and payable for the year	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	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 - 24

There are no borrowing costs to be capitalised as at March 31, 2018 (Previous year Rs. Nil).

Note - 25

There are no contingent liabilities to be reported as at March 31, 2018 (Previous year Rs. Nil).

Note - 26

There are no capital and other commitments to be reported as at March 31, 2018 (Previous year Rs. Nil).

Note - 27

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, 2018 (Previous year Rs. Nil).

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Ibolls Sales Limited
Notes to financial statements for the year ended March 31, 2018

Note - 28

Employee benefits:

(a) Defined contribution plans

The Company's contribution amounting to Rs. 740,008/- (Previous year Rs. 361,833) to defined contribution plans (Provident Fund and Employee State Insurance) is recognised as expenses in the Statement of Profit and Loss for the year ended March 31, 2018.

(b) Defined benefits plan

During the year ended March 31, 2018, the Company has estimated its obligations for retirement benefits in the form of gratuity and compensated absences based upon actuarial valuation calculated using the Projected Unit Credit Method as specified under AS 15. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss. For the financial year ended March 31, 2017, the Company had estimated its obligations for retirement benefits in the form of Gratuity and Compensated Absences payable to employees on an accrual basis under the assumption that such benefits are payable at year end, as permitted under AS 15 in respect of companies with a few employees.

Disclosures in respect of Gratuity and Compensated Absences:

Particulars	Amount (Rs.)			
	Gratuity (unfunded) March 31, 2018*	Gratuity (unfunded) March 31, 2017**	Compensated absences (unfunded) March 31, 2018*	Compensated absences (unfunded) March 31, 2017**
Reconciliation of liability recognized in the Balance Sheet:				
Present value of commitments (as per actuarial valuation)/accrual basis for the periods prior to April 1, 2017	16,57,815	14,67,237	5,28,790	5,86,107
Fair value of plans	-	-	-	-
Net liability in the Balance Sheet (Actual)	16,57,815	17,85,721	5,28,790	6,24,443
Movement in net liability recognized in the Balance Sheet:				
Net liability as at beginning of the year	17,85,721	-	6,24,443	-
Net expense/(gain) recognized in the Statement of Profit and Loss	40,469	3,18,484	(95,653)	38,336
Benefits paid during the year	(1,68,375)	-	-	-
Acquisition Adjustment (net of settlement amount)	-	-	-	-
Contribution during the year	-	-	-	-
Net liability as at end of the year	16,57,815	17,85,721	5,28,790	6,24,443
Expense recognized in the Statement of Profit and Loss				
Current service cost	2,59,011	-	85,720	-
Past service cost	-	-	-	-
Interest cost	1,39,286	-	48,707	-
Expected return on plan assets	-	-	-	-
Actuarial (gains)/ losses	(3,57,828)	-	(2,30,080)	-
Expense/(Income) charged to the Statement of Profit and Loss	40,469	3,18,484	(95,653)	38,336
Return on plan assets:				
Expected return on plan assets	-	-	-	-
Actuarial (gains)/ losses	-	-	-	-
Actual return on plan assets	-	-	-	-
Reconciliation of defined-benefit commitments:				
As at beginning of the year	17,85,721	14,67,237	6,24,443	5,86,107
Current service cost	2,59,011	3,18,484	85,720	38,336
Past service cost	-	-	-	-
Interest cost	1,39,286	-	48,707	-
Benefits paid during the year	(1,68,375)	-	-	-
Acquisition Adjustment (net of settlement amount)	-	-	-	-
Actuarial (gains)/ losses	(3,57,828)	-	(2,30,080)	-
Commitments as at end of the year	16,57,815	17,85,721	5,28,790	6,24,443

Particulars	Amount (Rs.)			
	Gratuity (unfunded) March 31, 2018*	Gratuity (unfunded) March 31, 2017**	Compensated absences (unfunded) March 31, 2018*	Compensated absences (unfunded) March 31, 2017**
Reconciliation of plan assets:				
Plan assets as at beginning of the year	N.A.	N.A.	N.A.	N.A.
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.
Contributions during the year	N.A.	N.A.	N.A.	N.A.
Paid benefits	N.A.	N.A.	N.A.	N.A.
Actuarial (gains)/ losses	N.A.	N.A.	N.A.	N.A.
Plan assets as at end of the year	N.A.	N.A.	N.A.	N.A.

* based on actuarial valuation

** calculated on accrual basis for the year ended March 31, 2017

Ibolls Sales Limited
Notes to financial statements for the year ended March 31,2018

Note - 28
Employee benefits: (Continued)

Experience adjustments:

Particulars	Gratuity (Unfunded)				
	Financial years				
	2017-18	2016-17*	2015-16*	2014-15*	2013-14
On plan liabilities	-	-	-	-	7,40,125
On plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Present value of benefit obligation	16,57,815	17,85,721	14,67,237	1,46,244	30,81,932
Fair value of plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Excess of (obligation over plan assets)/plan assets over obligation	16,57,815	17,85,721	14,67,237	1,46,244	30,81,932
Particulars	Compensated absences (Unfunded)				
	Financial years				
	2017-18	2016-17*	2015-16*	2014-15*	2013-14
On plan liabilities	-	-	-	-	6,94,231
On plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Present value of benefit obligation	5,28,790	6,24,443	5,86,107	43,617	14,50,647
Fair value of plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Excess of (obligation over plan assets)/plan assets over obligation	5,28,790	6,24,443	5,86,107	43,617	14,50,647

* no experience adjustment since liability determined on accrual basis

The actuarial calculations used to estimate commitments and expenses in respect of Gratuity and Compensated Absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expense.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Discount rate – Gratuity and Compensated Absences	7.80%	N.A.
Expected return on plan assets	N.A.	N.A.
Expected rate of salary increase	6.00%	N.A.
Mortality table	IALM (2006-08)	N.A.

N.A.: Not Applicable

The employer's best estimate of expense for the next annual period beginning after the Balance Sheet date, towards Gratuity and Compensated Absences is Rs.513,139 (Previous year Rs. Nil) and Rs. 145,996 (Previous year Rs. Nil) respectively.

Note - 29
Segment reporting:

The Company's primary business segment is reflected based on principal business activities carried on by it. The Company is engaged in the single primary business segment of acting as a commission agent and to provide related business auxiliary services. The Company operates solely in one Geographic segment namely "Within India". No further disclosures are required under Accounting Standard 17, Segment Reporting, as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, other than those already provided in the financial statements.

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Ibulls Sales Limited
Notes to financial statements for the year ended March 31,2018

Note - 30

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
(i) Where control exists	
Holding Company	Indiabulls Housing Finance Limited
Entities under common control	
Fellow Subsidiary Companies (including step down subsidiaries)	Indiabulls Insurance Advisors Limited
	Nilgiri Financial Consultants Limited (Subsidiary of Indiabulls Insurance Advisors Limited)
	Indiabulls Advisory Services Limited
	Indiabulls Asset Holding Company Limited
	Indiabulls Asset Reconstruction Company Limited (up to October 2,2016) (Subsidiary of Indiabulls Advisory Services Limited)
	Indiabulls Collection Agency Limited
	Indiabulls Commercial Credit Limited (Formerly known as Indiabulls Infrastructure credit Limited)
	Indiabulls Asset Management Mauritius (w.e.f. July 18,2016) (Subsidiary of Indiabulls Commercial Credit Limited)
	Indiabulls Capital Services Limited
	Indiabulls Life Insurance Company Limited (up to December 8,2017)
	Indiabulls Trustee Company Limited
	Indiabulls Asset Management Company Limited
	Indiabulls Venture Capital Management Company Limited (Subsidiary of Indiabulls Holdings Limited)
	Indiabulls Venture Capital Trustee Company Limited (Subsidiary of Indiabulls Holdings Limited)
Indiabulls Holdings Limited	
ii) Other related parties	
Associate of Holding Company	Oaknorth Holdings Ltd. (w.e.f. November 13,2015)
Key Management Personnel	Mr. Akash Malik – Director
	Mr. Ravi Dutt Sharma – Director
	Mr. Narender Singh Arya – Director
	Mr. Nafees Ahmed – Director

(b) Significant transactions with related parties:

Nature of Transaction	Amount (Rs.)	
	Holding Company	Total
Expenses		
Commission expenses	12,50,00,000	12,50,00,000
	4,02,00,000	4,02,00,000

(c) Statement of material transactions:

Particulars	Amount (Rs.)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Expenses		
Commission expenses		
- Indiabulls Housing Finance Limited	12,50,00,000	4,02,00,000

(d) Outstanding at year ended March 31, 2018 :

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 such relationships existed. Related Party relationships are given above are as identified by the Company and relied upon by the Auditors.

Note - 31

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	Year ended March 31, 2018	Year ended March 31, 2017
Net Profit/(Loss) available for equity shareholders (Rs.)	3,11,12,369	31,01,704
Weighted average number of equity shares used for computing Basic and Diluted earnings per share	50,000	50,000
Nominal value of equity shares – (Rs. Per Share)	10.00	10.00
Earnings per share – Basic and Diluted (Rs. Per Share)	622.25	62.03

Ibuls Sales Limited
Notes to financial statements for the year ended March 31, 2018

Note - 32

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

(a) Stock option plans of Indiabulls Financial Services Limited ("IBFSL") ("the erstwhile Holding Company") including plans in lieu of stock options plans of its erstwhile subsidiary Indiabulls Credit Services Limited transferred under the Court approved Plan 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	Employees Stock Option 2008	IHFL - IBFSL Employees Stock Option -2008

*The name of the plans 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 IHFL at their Meeting dated March 6, 2013 approved the IHFL ESOS - 2013 plan consisting of 39,000,000 stock options representing 39,000,000 fully paid up Equity Shares of Rs. 2 each of IHFL to be issued in one or more tranches to its eligible employees or to eligible employees of its subsidiaries / step down subsidiaries . The Compensation Committee constituted by the Board of Directors of IHFL 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 Plan.

During the current financial year the Compensation Committee constituted by the Board of Directors of IHFL has, at its meeting held on August 10, 2017, 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. 1,156.50, being the then latest available closing market price on the National Stock Exchange of India Ltd. as on August 10, 2017 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. August 12, 2018, whereby the options vest on each vesting date as per the vesting schedule provided in the Scheme

During the current financial year the Compensation Committee constituted by the Board of Directors of IHFL has, at its meeting held on March 24, 2018, granted, 100,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 1,200.40, being the then latest available closing market price on the National Stock Exchange of India Ltd. as on March 23, 2018 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. March 25, 2019, whereby the options vest on each vesting date as per the vesting schedule provided in the Scheme

(c) The other disclosures in respect of the ESOS/ESOP Plans are as under:

Particulars	IHFL-IBFSL Employees Stock Option Plan II - 2006	IHFL-IBFSL Employees Stock Option - 2008	IHFL ESOS - 2013	IHFL ESOS - 2013	IHFL ESOS - 2013	IHFL-IBFSL Employees Stock Option - 2008 -Regrant	IHFL-IBFSL Employees Stock Option - 2008-Regrant	IHFL-IBFSL Employees Stock Option Plan - 2006 -Regrant	IHFL-IBFSL Employees Stock Option - 2008 -Regrant	IHFL-IBFSL Employees Stock Option Plan II - 2006 -Regrant
Total Options under the Scheme	7,20,000	75,00,000	3,90,00,000	3,90,00,000	3,90,00,000	N.A.	N.A.	N.A.	N.A.	N.A.
Total Options issued under the Scheme	7,20,000	75,00,000	1,05,00,000	1,05,00,000	1,00,000	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Period and Percentage	Four years, 25% each year	Ten years, 15% First year, 10% for next eight years and 5% in last year	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year	N.A.	N.A.	N.A.	N.A.	N.A.
First Vesting Date	1st November, 2008	8th December, 2009	12th October, 2015	12th August, 2018	25th March, 2019	31st December, 2010	16th July, 2011	27th August, 2010	11th January, 2012	27th August, 2010
Revised Vesting Period & Percentage	Nine years, 11% each year for 8 years and 12% during the 9th year	N.A.	N.A.	NA	NA	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	100.00	95.95	394.75	1,156.50	1,200.40	125.90	158.50	95.95	153.65	100.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
year(Nos.)	16,344	7,24,178	66,95,081	1,05,00,000	1,00,000	19,710	78,610	1,58,000	6,000	87,600
Regrant Addition	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Regrant Date	N.A.	N.A.	N.A.	N.A.	N.A.	31-Dec-09	16-Jul-10	27-Aug-09	11-Jan-11	27-Aug-09
(Nos.)	-	4,11,715	20,32,400	-	-	6,390	19,440	39,500	1,500	21,900
Exercised during the year (Nos.)	15,192	3,83,124	21,32,700	-	-	4,140	20,290	79,000	1,500	43,800
Expired during the year (Nos.)	-	-	-	-	-	-	-	-	-	-
Cancelled during the year	-	-	-	-	-	-	-	-	-	-
Lapsed during the year	-	930	14,000	-	-	-	-	-	-	-
Re-granted during the year	-	-	-	N.A	N.A	N.A	N.A	N.A	N.A	N.A
(Nos.)	1,152	3,40,124	45,48,381	1,05,00,000	1,00,000	15,570	58,320	79,000	4,500	43,800
(Nos.)	1,152	1,34,263	4,97,581	-	-	2,790	-	-	-	-
(Weighted Months)	43	63	70	88	96	72	75	71	69	71

N.A - Not Applicable

Indiabulls Financial Services Limited (IBFSL) and its erstwhile subsidiary, Indiabulls Credit Services Limited had announced the above ESOS/ESOP plans for its employees and the employees of other group companies wherein each option represents one Equity Share of IHFL. The Company had adopted the ESOS/ESOP plan in respect of its employees. A Compensation Committee constituted by the Board of Directors of IHFL administers each of the above plans.

There is no impact on the Company's net profit and earnings per share in respect of the above plans had the compensation cost for the stock options granted been determined based on the fair value approach.

Ibolls Sales Limited
Notes to financial Statements for the year ended March 31,2018

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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 Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N

For and on behalf of the Board of Directors of
Ibolls Sales Limited

Sd/-
Rahul Mukhi
Partner
Membership No. 099719
New Delhi, April 17, 2018

Sd/-
Akash Malik
Director
DIN : 07098562
New Delhi, April 17, 2018

Sd/-
Ravi Dutt Sharma
Director
DIN : 07162530