

## **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, 2018, 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, 2018, and its loss 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, 2018 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.

**For Sumit Mohit & Company**  
**Chartered Accountants**  
**FRN: 021502N**

**Sd/-**  
**Sumit Garg**  
**(Partner)**  
**M. No.: 506945**  
**Place: New Delhi**  
**Date: April 16, 2018**

## 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, 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 and the records of the Company examined by us, as at March 31, 2018, 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 16, 2018**

## **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 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 ('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 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 Sumit Mohit & Company**  
**Chartered Accountants**  
**FRN: 021502N**

**Sd/-**  
**Sumit Garg**  
**(Partner)**  
**M. No.: 506945**  
**Place: New Delhi**  
**Date: April 16, 2018**

**Indiabulls Venture Capital Management Company Limited**

**Balance Sheet as at March 31, 2018**

Particular's	Note	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
<b>I. Equity and Liabilities</b>			
<b>Shareholder's Funds</b>			
(a) Share Capital	3	500,000	500,000
(b) Reserves and Surplus	4	104,121	139,418
		<u>604,121</u>	<u>639,418</u>
<b>Current Liabilities</b>			
(a) Other current liabilities	5	29,500	28,750
(b) Short-term provisions	6	-	25,890
		<u>29,500</u>	<u>54,640</u>
<b>Total of Equity and Liabilities</b>		<u><u>633,621</u></u>	<u><u>694,058</u></u>
<b>II.Assets</b>			
<b>Current assets</b>			
(a) Current Investments	7	585,000	-
(b) Cash and bank balances	8	48,621	694,058
		<u>633,621</u>	<u>694,058</u>
<b>Total of Assets</b>		<u><u>633,621</u></u>	<u><u>694,058</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/-  
Rana Praveen Kumar  
Director  
DIN: 07098611

Place: New Delhi  
Date: April 16, 2018

Place: New Delhi  
Date: April 16, 2018



**Indiabulls Venture Capital Management Company Limited**  
**Statement of Profit and Loss for the year ended March 31, 2018**

Particular's	Note	For the year ended March 31, 2018 Amount (Rs.)	For the year ended March 31, 2017 Amount (Rs.)
<b>I. Revenue</b>			
Revenue from operation	9	-	200,000
Other Income	10	15,537	-
<b>I. Total Revenue</b>		<b>15,537</b>	<b>200,000</b>
<b>II. Expenses</b>			
Financial costs	11	4,384	7,179
Other expenses	12	32,600	46,369
<b>II. Total Expenses</b>		<b>36,984</b>	<b>53,548</b>
<b>III. Profit/(Loss) before tax (I - II)</b>		<b>(21,447)</b>	<b>146,452</b>
<b>IV. Tax expense:</b>			
Current tax		-	45,890
Prior year tax adjustment		13,850	16,086
		<b>13,850</b>	<b>61,976</b>
<b>V. Profit/(Loss) after tax (III-IV)</b>		<b>(35,297)</b>	<b>84,476</b>
<b>VI. Earning per equity share:</b>	<b>17</b>		
- Basic		(0.71)	1.69
- Diluted		(0.71)	1.69
- 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  
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M. No. 506945

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DIN: 01272080

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Director  
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Place: New Delhi  
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Date: April 16, 2018

**Indiabulls Venture Capital Management Company 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.)
<b>A Cash flows from operating activities</b>		
Net Profit/(Loss) as per statement of Profit & Loss	(21,447)	146,452
Adjustments for:		
Interest on fixed deposits	-	-
<b>Operating profit before working capital changes</b>	<u>(21,447)</u>	<u>146,452</u>
(Decrease) / Increase in other current liabilities	750	125
<b>Cash generated from(used in) operations</b>	<u>(20,697)</u>	<u>146,577</u>
Taxes Paid	(39,740)	(84,938)
<b>Net cash used in operating activities</b>	<u><b>(60,437)</b></u>	<u><b>61,639</b></u>
<b>B Cash flows from investing activities</b>		
Investment in Mutual Funds	(585,000)	-
<b>Net cash generated from/(used in) investing activities</b>	<u><b>(585,000)</b></u>	<u><b>-</b></u>
<b>C Cash flows from financing activities</b>		
<b>Net cash generated from (used In) financing activities</b>	<u><b>-</b></u>	<u><b>-</b></u>
<b>D Net decrease in cash and cash equivalents ( A+B+C )</b>	<b>(645,437)</b>	<b>61,639</b>
<b>E Cash and cash equivalents at the beginning of the year</b>	<b>694,058</b>	<b>632,419</b>
<b>F Cash and cash equivalents at the end of the year ( D+E )</b>	<u><b>48,621</b></u>	<u><b>694,058</b></u>

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.8)

- Cash on Hand	5,035	5,035
- Balances with scheduled banks In current accounts	43,586	689,023
	<u><b>48,621</b></u>	<u><b>694,058</b></u>

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/-  
Rana Praveen Kumar  
Director  
DIN: 07098611

Place: New Delhi  
Date: April 16, 2018

Place: New Delhi  
Date: April 16, 2018

## Indiabulls Venture Capital Management Company Limited

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

#### 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, 2018**

	<b>As at March 31, 2018 Amount (Rs.)</b>	<b>As at March 31, 2017 Amount (Rs.)</b>
<b>Note - 3</b>		
<b>Share capital</b>		
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
<b>Total of Share capital</b>	<u><b>500,000</b></u>	<u><b>500,000</b></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.

	As at March 31, 2018		As at March 31, 2017	
	Equity Shares		Equity Shares	
	No. of shares	Rs.	No. of shares	Rs.
<b>Share Capital Reconciliation</b>				
<b>Particulars</b>				
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	<u>50,000</u>	<u>500,000</u>	<u>50,000</u>	<u>500,000</u>

**Detail of Shareholders holding 5% or more shares**

Name of Shareholder	No. of Shares	% of Holding	No. of Shares	% of Holding
The entire Paid up equity share capital held by Holding company - Indiabulls Holdings Limited and Its Nominees.	50,000	100%	50,000	100%

**Note - 4**  
**Reserves & surplus**

Deficit as per statement of profit and loss account	139,418	54,942
Loss for the year	(35,297)	84,476
<b>Total of Reserves &amp; surplus</b>	<u><b>104,121</b></u>	<u><b>139,418</b></u>

**Note - 5**  
**Other current liabilities**

Other current liabilities	29,500	28,750
<b>Total of Other current liabilities</b>	<u><b>29,500</b></u>	<u><b>28,750</b></u>

**Indiabulls Venture Capital Management Company Limited**  
**Notes forming part of financial statements as at March 31, 2018**

	<b>As at March 31, 2018 Amount (Rs.)</b>	<b>As at March 31, 2017 Amount (Rs.)</b>
<b>Note - 6</b>		
<b>Short-term Provisions</b>		
Provision for tax	-	25,890
<b>Total of Short-term Provision</b>	<b>-</b>	<b>25,890</b>
 <b>Note - 7</b>		
<b>Current Investments</b>		
<b>Non-trade, Unquoted</b>		
Investment in Indiabulls Liquid Fund - Direct- Growth [ No.of units 346.915 ( Previous year : Nil ) NAV 1686.2893 Previous year Rs. Nil) per unit ]	585,000	-
<b>Total of Trade Receivables</b>	<b>585,000</b>	<b>-</b>
Aggregate book value of unquoted investments	585,000	
Aggregate book value of quoted investments	-	
Aggregate market value of quoted investments	-	
 <b>Note - 8</b>		
<b>Cash and cash equivalents:</b>		
(a) Balances with scheduled banks In current accounts	43,586	689,023
(b) Cash on hand	5,035	5,035
<b>Total of Cash and bank balances</b>	<b>48,621</b>	<b>694,058</b>

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**Indiabulls Venture Capital Management Company Limited**  
**Notes forming part of financial statements For the year ended March 31, 2018**

	<b>For the year ended March 31, 2018 Amount (Rs.)</b>	<b>For the year ended March 31, 2017 Amount (Rs.)</b>
<b>Note - 9</b>		
<b>Revenue from operations</b>		
Advisory / Consultancy Income	-	200,000
<b>Total of Revenue from operation</b>	<b>-</b>	<b>200,000</b>
 <b>Note - 10</b>		
<b>Other income</b>		
Miscellaneous Income	15,537	-
<b>Total of Other income</b>	<b>15,537</b>	<b>-</b>
 <b>Note - 11</b>		
<b>Financial costs</b>		
Interest on Taxes	4,384	7,179
<b>Total of financial cost</b>	<b>4,384</b>	<b>7,179</b>
 <b>Note - 12</b>		
<b>Other expenses</b>		
Rates & Taxes	3,100	1,500
Auditor's Remuneration		
- As Auditors	29,500	28,750
Miscellaneous expenses	-	16,119
<b>Total of other expenses</b>	<b>32,600</b>	<b>46,369</b>

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**Indiabulls Venture Capital Management Company Limited**  
**Notes forming part of financial statements For the year ended March 31, 2018**

**Note - 13**

**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 - 14**

**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
<b>Holding Company:</b>	Indiabulls Holdings Limited
<b>Ultimate Holding Company:</b>	Indiabulls Housing Finance Limited
<b>Entities under common control:</b>	Indiabulls Venture Capital Management Company Limited
	Nilgiri Financial Consultants Limited (Subsidiary of Indiabulls Insurance Advisors Limited)
	Ibolls Sales Limited
	Indiabulls Advisory Services Limited
	Indiabulls Asset Holding Company Limited
	Indiabulls Asset Management Company Limited
	Indiabulls Asset Reconstruction Company Limited (Subsidiary of Indiabulls Advisory Services Limited) till October 02, 2016
	Indiabulls Capital Services Limited
	Indiabulls Collection Agency Limited
	Indiabulls Commercial Credit Limited (formally known as Indiabulls Infrastructure Credit Limited)
	Indiabulls Insurance Advisors Limited
	Indiabulls Life Insurance Company Limited (Up to December 08, 2017)
	Indiabulls Trustee Company Limited
Indiabulls Asset Management (Mauritius)(Incorporate on July 18, 2016)	
<b>Associate of Ultimate Holding Company</b>	Oaknorth Holdings Limited (w.e.f. November 13, 2015)
<b>Key Management Personnel:</b>	Mr. Ashok Brijmohan Kacker (Director)
	Mr. Akshay Gupta (Director)
	Mr. Rana Praveen Kumar (Director)

**(b) Significant Transactions with Related Parties as at March 31, 2018 Rs. Nil (Previous year Rs. Nil).**

**(c) Statement of Material Transactions as at March 31, 2018 Rs. Nil (Previous year Rs. Nil).**

**(d) Amount outstanding as at 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 the relationship existed. Related party relationships as given above are as identified by the Company and relied upon by the auditors.

**Note - 15**

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.

**Indiabulls Venture Capital Management Company Limited**  
Notes forming part of financial statements as at March 31, 2018

**Note - 16**

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

**(a) Stock option plans of Indiabulls Financial Services Limited ("IBFSL") ("the erstwhile Ultimate 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 – ICSSL Employees Stock Option Plan 2006	IHFL- IBFSL Employees Stock Option Plan 2006
2	IBFSL - ICSSL 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 Ultimate 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 Plan	720,000	7,500,000	39,000,000	39,000,000	39,000,000	N.A.	N.A.	N.A.	N.A.	N.A.
Options issued	720,000	7,500,000	10,500,000	10,500,000	100,000	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	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
Outstanding at the beginning of the year (Nos.)	16,344	724,178	6,695,081	10,500,000	100,000	19,710	78,610	158,000	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
Options vested during the year (Nos.)	-	411,715	2,032,400	-	-	6,390	19,440	39,500	1,500	21,900
Exercised during the year (Nos.)	15,192	383,124	2,132,700	-	-	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.
Outstanding at the end of the year (Nos.)	1,152	340,124	4,548,381	10,500,000	100,000	15,570	58,320	79,000	4,500	43,800
Exercisable at the end of the year (Nos.)	1,152	134,263	497,581	-	-	2,790	-	-	-	-
Remaining contractual Life (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.



**Indiabulls Venture Capital Management Company Limited**  
**Notes forming part of financial statements For the year ended March 31, 2018**

**Note - 17**

**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, 2018	For the year ended March 31, 2017
Loss available for Equity shareholders –(Rs.)	(35,297)	84,476
Weighted average number of Shares used in computing Basic & Diluted Earning per share	50,000	50,000
Basic & Diluted Earnings Per Share - (Rs.)	(0.71)	1.69
Nominal Value of Equity Shares - (Rs.)	10.00	10.00

**Note - 18**

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

**Note - 19**

**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, 2018	As At March 31, 2017
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 - 20**

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 - 21**

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, 2018.

**Note - 22**

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. In the opinion of the Board of Directors, no provision is required to be made against the recoverability of these balances.

**Indiabulls Venture Capital Management Company Limited**  
**Notes forming part of financial statements For the year ended March 31, 2018**

**Note - 23**

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).

**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/-  
Rana Praveen Kumar  
Director  
DIN: 07098611

Place: New Delhi  
Date: April 16, 2018

Place: New Delhi  
Date: April 16, 2018