

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF, INDIABULLS VENTURE CAPITAL TRUSTEE COMPANY LIMITED

Report on the Financial Statements

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

Management's Responsibilities 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 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.

The Company's management is responsible for establishing and maintaining internal financial controls based on the "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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit and to express an opinion on the Company's internal financial controls over financial reporting 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 and the Guidance Note on Audit of Internal Financial Controls over Financial Reporting. 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 the financial statements are free from material misstatement and whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the amounts, the disclosures in the financial statements and 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. In making those

risk assessments, the auditor considers internal financial controls 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 Company's internal financial controls system over financial reporting and the financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls 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 and to the best of our information and according to the explanations given to us, the 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:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- b. in the case of the Statement of Profit and Loss Account, of the Profit for the year ended on that date:
- c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
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 purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, and Statement of Profit and Loss 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 written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164(2) of the Act.
- f) In our opinion considering nature of business, size of operation and organizational structure of the entity, 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 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India
- g) With respect to the other matters included in the Auditor's Report and to the best of 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 derivatives contracts for which there were any material foreseeable losses.
 - III) There were no amounts which required to be transferred to Investor Education and Protection Fund by the Company.

For **Kumar Singhal & Co.**
Chartered Accountants
FRN:- 018086N

Sd/-
Maruti Garg
Partner
M. No. 412103

Place:- New Delhi
Date:- 18-04-2018

Indiabulls Venture Capital Trustee Company Limited

Annexure to the Auditors' Report

The Annexure referred to in our report to the members of Indiabulls Venture Capital Trustee Company Limited (“the Company”) for the year ended on 31.03.2018.

We report that:

- (i) (a) Since, the company does not have fixed assets during the period under review. Therefore, clause (i) a), (i) b) and (i) c) of para 3 of the Order are not applicable on the Company.
- (ii) Since, the Company is a service company, it does not hold any physical inventory. Therefore, clause (ii) of para 3 of the Order are not applicable on the Company.
- (iii) The company had 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. Therefore, clause (iii) a), (iii) b) and (iii) c) of para 3 of the Order are not applicable on the Company.
- (iv) Since, the company has not made any investment or given guarantees, loans during the period under review and accordingly, provisions u/s 185 and 186 of the companies Act 2013 need not be complied with, therefore, clause (iv) of para 3 of the Order is not applicable on the Company.
- (v) The Company has not accepted any deposits. Therefore, this clause is not applicable on the Company for the period under review.
- (vi) According to the information and explanation given to us, the Central Government has not specified cost records under sub-section (1) of section 148 of the Companies Act, to be maintained by the Company.
- (vii) According to information and explanation given to us and on the basis of our examination to the records of the Company:
 - (a) the company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, wherever applicable, with the appropriate authorities. According to the information and explanations given to us, no material undisputed amounts payable in respect of aforesaid dues were in arrears, as at 31.03.2018 for the period more than 6 months from the date they become payable.
 - (b) there are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess, as applicable to it, which have not been deposited on account of any dispute.
- (viii) The company did not have any outstanding dues to any bank, financial institutions, Government or dues to debenture holders during the year.

- (ix) The company has not raised money by way to initial public offer or further public offer (including debt instruments) and term loans loan during the year.
- (x) According to information and explanation given to us, we have not noticed or reported any fraud by the company or any fraud on the company by its officers or employees during the year.
- (xi) The company had not paid managerial remuneration during the period under review, Therefore, clause (xi) of para 3 of the Order are not applicable on the Company.
- (xii) This clause of CARO 2016 is not applicable to the company as the company is not a Nidhi company.
- (xiii) According to the information and explanations provided to us, all transaction with the related parties are in compliance with the section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standard.
- (xiv) According to the information and explanations provided to us. the company has not made any preferential allotment or private placement of share or fully or partly convertible debenture during the period under review.
- (xv) According to the information and explanations provided to us, the company has not entered into any non-cash transaction with directors or persons connected with him and the provision of section 192 of companies Act, 2013 have been complied with.
- (xvi) This clause of the CARO 2016 in not applicable to the company as the company is not a required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **Kumar Singhal & Co.**
Chartered Accountants
FRN:- 018086N

Sd/-
Maruti Garg
Partner
M. No. 412103

Place:- New Delhi
Date:- 18-04-2018

Indiabulls Venture Capital Trustee Company Limited

Balance Sheet as at March 31, 2018

Particular's	Note No.	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
I. Equity and Liabilities			
Shareholder's Funds			
(a) Share capital	3	500,000	500,000
(b) Reserves and surplus	4	(511,897)	126,846
		<u>(11,897)</u>	<u>626,846</u>
Current Liabilities			
(a) Other current liabilities	5	575,001	28,750
(b) Short-term provisions	6	-	30,702
		<u>575,001</u>	<u>59,452</u>
Total of Equity and Liabilities		<u>563,104</u>	<u>686,298</u>
II.Assets			
Current Assets			
(a) Current Investments	7	558,069	-
(b) Cash and bank balances	8	5,035	686,298
		<u>563,104</u>	<u>686,298</u>
Total of Assets		<u>563,104</u>	<u>686,298</u>

Summary of significant accounting policies 2

See accompanying notes 1 to 24 which form an integral part of the financial statements.

As per our report of even date

For Kumar Singhal & Co.
Chartered Accountants
FRN : 018086N

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

Sd/-
Maruti Garg
Partner
Membership No. 412103

Sd/-
Sachin Chaudhary
Director
DIN: 02016992

Sd/-
Ajit Kumar Mittal
Director
DIN: 02698115

Place: New Delhi
Date: April 18, 2018

Place: New Delhi
Date: April 18, 2018

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

Particular's	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
I. Revenue			
Other Income	9	69	200,000
I. Total Revenue		<u>69</u>	<u>200,000</u>
II. Expenses			
Financial costs	10	4,384	7,158
Other expenses	11	625,390	30,257
II. Total Expenses		<u>629,774</u>	<u>37,415</u>
III. Profit / (Loss) before tax (I- II)		(629,705)	162,585
IV. Tax Expense:			
Current tax		-	50,702
Prior year tax expenses		9,038	15,877
		<u>9,038</u>	<u>66,579</u>
V. Profit / (Loss) after tax (III-IV)		<u>(638,743)</u>	<u>96,006</u>
VI. Earning per equity share:			
- Basic		(12.77)	1.92
- Diluted		(12.77)	1.92
- Nominal Value per Equity Share		10.00	10.00

Summary of significant accounting policies 2

See accompanying notes 1 to 24 which form an integral part of the financial statements.

As per our report of even date

For Kumar Singhal & Co.
Chartered Accountants
FRN : 018086N

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

Sd/-
Maruti Garg
Partner
Membership No. 412103

Sd/-
Sachin Chaudhary
Director
DIN: 02016992

Sd/-
Ajit Kumar Mittal
Director
DIN: 02698115

Place: New Delhi
Date: April 18, 2018

Place: New Delhi
Date: April 18, 2018

Indiabulls Venture Capital Trustee Company Limited
Cash Flow Statement for the year ended March 31, 2018

	For the year ended March 31, 2018	For the year ended March 31, 2017
	Amount (Rs.)	Amount (Rs.)
A Cash flows from operating activities :		
Net Profit/(Loss) as per statement of Profit & Loss	(629,705)	162,585
Adjustments for:	-	-
Operating Loss before working capital changes	(629,705)	162,585
(Decrease) / Increase in other current liabilities	546,251	125
Cash generated from(used in) operations	(83,454)	162,710
Taxes Paid	(39,740)	(84,820)
Net cash used in operating activities	(123,194)	77,890
B Cash flows from investing activities		
Investment in Mutual Fund	(558,069)	-
Net cash generated from/(used in) investing activities	(558,069)	-
C Cash flows from financing activities		
Net cash generated from (used In) financing activities	-	-
D Net decrease in cash and cash equivalents (A+B+C)	(681,263)	77,890
E Cash and cash equivalents at the beginning of the year	686,298	608,408
F Cash and cash equivalents at the end of the year (D+E)	5,035	686,298

Note :

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

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

Cash and Bank Balances (Refer Note No. 7)

- Cash on Hand	5,035	5,035
- Balances with scheduled banks		
In current accounts	-	681,263
	5,035	686,298

As per our report on even date

For Kumar Singhal & Co.
Chartered Accountants
FRN : 018086N

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

Sd/-
Maruti Garg
Partner
Membership No. 412103

Sd/-
Sachin Chaudhary
Director
DIN: 02016992

Sd/-
Ajit Kumar Mittal
Director
DIN: 02698115

Place: New Delhi
Date: April 18, 2018

Place: New Delhi
Date: April 18, 2018

Indiabulls Venture Capital Trustee Company Limited

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

Note - 1

Corporate Information

Indiabulls Venture Capital Trustee 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) Investments:

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

v) 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

vi) 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, except in respect of the following categories of assets:

Depreciation on additions to fixed assets is provided on a pro-rata basis from the date the asset is put to use. Leasehold improvements are amortised over the period of Lease. 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.

vii) 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.

Indiabulls Venture Capital Trustee Company Limited

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

viii) 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.

ix) Deferred Employee Stock Compensation Cost:

Deferred employee stock compensation cost for stock options are recognised on the basis of generally accepted accounting principles and are measured by the difference between the estimated value of the company's shares on stock options grant date and the exercise price to be paid by the option holders. The compensation expense is amortised 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.

The compensation expense is amortised 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.

x) Employee Benefits:

As permitted under Accounting Standard 15 (Revised 2005) - Employee Benefits, notified under Companies (Accounts) Rules, 2014, 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.

xi) 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.

xii) 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.

xiii) 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.

xiv) 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 Trustee Company Limited
Notes forming part of financial Statements as at March 31, 2018

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Note - 3		
Share Capital		
Authorised:		
500,000 Equity Shares of Rs.10 each	<u>5,000,000</u>	<u>5,000,000</u>
Issued, Subscribed and Paid up:		
50,000 (Previous Year 50,000) Equity Shares of Rs 10 each fully paid up	500,000	500,000
As per Balance Sheet	<u>500,000</u>	<u>500,000</u>

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

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

Detail of Shareholders holding 5% or more shares

Name of Shareholder	No. of Shares	% of Holding	No. of Shares	% of Holding
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	126,846	30,840
Profit / (Loss) for the year	(638,743)	96,006
Total of Reserves & surplus	<u>(511,897)</u>	<u>126,846</u>

Note - 5
Other current liabilities

Other payables	39,548	28,750
Temporary Overdrawn Balances as per books	535,453	-
Total of Other current liabilities	<u>575,001</u>	<u>28,750</u>

Indiabulls Venture Capital Trustee Company Limited
Notes forming part of financial Statements as at March 31, 2018

	As at March 31, 2018 Amount (Rs.)	As at March 31, 2017 Amount (Rs.)
Note - 6		
Short-term Provisions		
Provision for tax	-	30,702
Total of Short-term Provision	-	30,702
 Note - 7		
Current Investments		
Non-trade, Quoted		
Investment in Indiabulls Liquid Fund - Direct- Growth [No.of units 330.945 (Previous year : Nil) NAV 1698.2479 (Previous year Rs. Nil) per unit]	558,069	-
Total of Trade Receivables	558,069	-
Aggregate book value of unquoted investments	-	-
Aggregate book value of quoted investments	558,069	-
Aggregate market value of quoted investments	558,069	-
 Note - 8		
Cash and cash equivalents:		
(a) Balances with scheduled banks In current accounts	-	681,263
(b) Cash on hand	5,035	5,035
Total of Cash and bank balances	5,035	686,298

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Indiabulls Venture Capital Trustee Company Limited
Notes forming part of financial Statements For the year ended March 31, 2018

	For the year ended March 31, 2018	For the year ended March 31, 2017
	Amount (Rs.)	Amount (Rs.)
Note - 9		
Other Income		
Income from services	-	200,000
Income on Sale of Investment	69	-
Total of Other income	<u><u>69</u></u>	<u><u>200,000</u></u>
Note - 10		
Financial costs		
Interest on taxes	4,384	7,158
As per Statement of Profit and Loss	<u><u>4,384</u></u>	<u><u>7,158</u></u>
Note - 11		
Other expenses		
Rates & taxes	2,500	1,500
Auditor's remuneration (inclusive of service tax)		
- As Auditors	29,500	28,750
Business Support Service	592,807	-
Miscellaneous expenses	583	7
Total of other expenses	<u><u>625,390</u></u>	<u><u>30,257</u></u>

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Indiabulls Venture Capital Trustee Company Limited
Notes forming part of financial Statements For the year ended March 31, 2018

Note - 12

Earning per Share

The basic earning per equity share is computed by dividing the net profit / (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
Profit/(Loss) available for Equity shareholders –(Rs.)	(638,743)	96,006
Weighted average number of Shares used in computing Basic & Diluted Earning per share	50,000	50,000
Basic & Diluted Earnings Per Share - (Rs.)	(12.77)	1.92
Nominal Value of Equity Shares - (Rs.)	10.00	10.00

Note - 13

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

(a) Details of related parties:

Description of relationship	Names of related parties
Holding Company:	Indiabulls Holdings Limited
Ultimate Holding Company:	Indiabulls Housing Finance Limited
Entities under common control:	Indiabulls Venture Capital Management Company Limited
	Nilgiri Financial Consultants Limited (Subsidiary of Indiabulls Insurance Advisors Limited)
	Ibulls 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)	
Associate Company:	Oaknorth Holdings Limited (w.e.f. November 13, 2015)
Key Management Personnel:	Mr. Sachin Choudhary (Director)
	Mr. Ajit Kumar Mittal (Director)
	Mr. Sudhir Khullar (Director)

(b) Significant Transactions with Related Parties as at March 31, 2018

Nature of Transaction	Ultimate Holding Company	Total
Allocation of Expenses	592,807	592,807
	-	-

(Previous Year figures are stated in Italics.)

(c) Statement of Material Transactions as at March 31, 2018

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Allocation of Expenses		
Indiabulls Housing Finance Limited	592,807	-

(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.

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

Note - 14

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 – 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 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 Trustee Company Limited
Notes forming part of financial Statements For the year ended March 31, 2018

Note - 15

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 - 16

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

Note - 17

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 - 18

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 - 19

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 - 20

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 - 21

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

Indiabulls Venture Capital Trustee Company Limited
Notes forming part of financial Statements For the year ended 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.

Note - 23

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

Note - 24

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 Kumar Singhal & Co.
Chartered Accountants
FRN : 018086N

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

Sd/-
Maruti Garg
Partner
Membership No. 412103

Sd/-
Sachin Chaudhary
Director
DIN: 02016992

Sd/-
Ajit Kumar Mittal
Director
DIN: 02698115

Place: New Delhi
Date: April 18, 2018

Place: New Delhi
Date: April 18, 2018