



DHANI LOANS AND SERVICES
(formerly Indiabulls Consumer Finance Limited)
(CIN: U74899DL1994PLC062407)

Registered Office: M-62 & 63, First Floor, Connaught Place, New Delhi - 110 001
Email: helpdesk@indiabulls.com, Tel: 0124-6681199, Fax: 0124-6681240

NOTICE

NOTICE is hereby given that 26th Annual General Meeting of the members of **Dhani Loans and Services Limited** (formerly Indiabulls Consumer Finance Limited) will be held, on Wednesday, the 23rd day of September 2020 at 3:00 P.M. at the Registered office at M - 62 & 63, First Floor, Connaught Place, New Delhi-110001, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company as at March 31, 2020 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pinank Jayant Shah (DIN: 07859798), Executive director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **To consider and, if thought fit, to pass, the following resolution as a Special Resolution for issue of Non-Convertible Debentures and/or Bonds, of the Company, on private placement basis:**

“RESOLVED THAT pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules framed thereunder, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as may be amended from time to time, and subject to other applicable regulations/ guidelines, consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company (hereinafter called the “Board”, which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers conferred by this resolution) to issue Redeemable Non-Convertible Debentures, secured or unsecured (“NCDs”) and/or Bonds, for cash, either at par or premium or discount to the face value, under one or more shelf disclosure documents and/or under one or more letters of offer, as may be issued by the Company, and in one or more series, on private placement basis, from time to time, during a period of one year from the date of passing of this Resolution, such that the total amount to be raised through issue of NCDs and/or Bonds shall be within the overall borrowing limits of Rs. 12,000 Crore.

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed, from time to time, as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such other acts, deeds and things, as it may deem necessary, in its absolute discretion, including to execute all such agreements, documents, instruments and writings as may be required and to

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delegate all or any of its powers herein conferred, to any Committee of Directors and / or directors and / or officers of the Company, to give effect to the authority of this resolution.”

By Order of the Board of Directors
For **Dhani Loans and Services Limited**
(formerly Indiabulls Consumer Finance Ltd)

Pinank Jayant Shah
Whole-time Director

Place: Gurugram
Date: September 9, 2020

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NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the businesses under Item No. 3 of the accompanying Notice, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The proxy form duly completed must reach the registered office or Corporate office of the Company at Indiabulls House, 448-451, Udyog Vihar, Phase V, Gurgaon, not later than 48 hours before the commencement of the Meeting. A body corporate being a member shall be deemed to be personally present at the meeting if represented in accordance with the provisions of Section 113 of the Companies Act, 2013. The representative so appointed, shall have the right to appoint a proxy.

3. Members desiring any information with regards to accounts/reports are requested to write to the Company at its Registered Office at least 10 days before the meeting so as to enable the Management to keep the information ready.

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EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") sets out all material facts relating to the businesses mentioned at item no. 3 of the accompanying Notice dated September 9, 2020.

Item No. 3: Special Resolution, to issue Non-Convertible Debentures (NCDs) and/or Bonds, of the Company, on private placement basis

Pursuant to and in terms of Section 42 of the Companies Act, 2013 read with the Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Board of Directors of the Company, subject to members' approval, by way of a Special Resolution, which is required to be passed every year, can raise funds through issue of NCDs and/or Bonds, on a private placement basis, upto one year from the date of members' approval to the resolution, as set out at Item No. 3 of this Notice.

Accordingly, approval of the Members is being sought by way of a Special Resolution as set out at Item No. 3 of this Notice, as an enabling authorizing for the Board to issue NCDs and/or Bonds, on a private placement basis, during a period of one year from the date of this Annual General Meeting (AGM) of the Company, upto its borrowing authorization of Rs. 12,000 Crores.

The Board accordingly recommended, passing of the Special Resolution, as set out at Item No. 3 of this Notice, for the approval of the Members of the Company.

None of the Promoters, Directors and Key Managerial Persons (KMPs) of the Company or any relatives of such Promoters, Directors or KMPs, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of this Notice.

By Order of the Board of Directors
For **Dhani Loans and Services Limited**
(formerly Indiabulls Consumer Finance Ltd)

Place: Gurugram
Date: September 9, 2020

Pinank Jayant Shah
Whole-time Director

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DIRECTOR'S REPORT

Dear Shareholders,

Your Directors present to you, the 26th Annual Report together with the Audited Accounts for the year ended March 31, 2020.

FINANCIAL RESULTS

Summary of the Financial Results for the the year ended March 31, 2020 are as under:

Particulars	(Amount in Rs. Lakhs)	
	For the Year ended March 31, 2020 Ind AS	For the Year ended March 31, 2019 Ind AS
Profit before Tax and Depreciation	12,763.03	55,230.40
Less: Depreciation and amortization expense	7,802.00	1,890.83
Profit before Tax	4,961.03	53,339.57
Less: Provision for Tax	(464.43)	13,320.17
Profit after Tax	5,425.46	40,019.40
Profit/ (Loss) brought forward	40,351.85	14,342.57
Add: Other comprehensive income	728.26	(28.99)
Add: Transfer from share options outstanding account	192.19	12.76
Add: Transfer from Debenture redemption reserve	416.54	-
Amount available for appropriation	47,114.30	54,345.74
Appropriation		
Transfer to Reserve Fund (u/s 45 IC of the RBI Act 1934)	1,085.10	7,998.08
Transfer to Debenture redumption reserve	-	416.54
Transfer to change in value of Loan Assets	792.47	0.00
Dividends (including dividend distribution tax) during the year	20,838.72	5,579.27
Balance carried forward to Balance Sheet	24,398.01	40,351.85

BUSINESS REVIEW

During the FY ended March 31, 2020, the Company earned a Profit after Tax of Rs. 5,425.46 lakh. In view of growing business activities, the profitability of the Company is expected to grow in the coming years.

STATE OF COMPANY'S AFFAIRS

The Company has over the last 3 years built a technology platform through its digital application Dhani, which has been amongst the top 10 financial services applications in the world in 2019. The Company has been focussed toward financial inclusion by providing solutions to financial requirements of such segments of the market, which did not have access to credit. Approximately 50 million users have downloaded the Company's Dhani application for their use. These millions of users have benefitted by taking small ticket personal loans and business loans for their immediate requirements. Your Company is an emerging player in retail finance business. Your company provides Personal and SME loans products based on various financial needs of customers. Personal loan is one of the fastest growing segments of the retail lending market. Given the large opportunity for growth in Personal loan & SME sector, company continues to creating differentiation and expand its operations.

DIVIDEND

The Board of Directors of the Company had declared an Interim Dividend of Rs. 28.25/- per Equity Share, for the financial year 2019-20.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there was no change in the composition of the Directors and Key Managerial Personnel.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Pinank Jayant Shah (DIN: 07859798) Director, retires by rotation and, being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

All the present Independent Directors of the Company have given declaration that they meet the criteria of independence laid down under Section 149 (6) of the Companies Act 2013.

RATING UPGRADES

Dhani Loans And Services Limited [DLASL] has Long term credit rating of AA from Brickwork Ratings & AA- rating from CARE. Company also has secured Short term Credit rating of A1+ from CARE Ratings and Brickwork Ratings.

CHANGE OF NAME OF THE COMPANY

The Board of Directors in its meeting of June 25, 2020 has authorized the Company to change its name to '**Dhani Loans and Services Limited**' as the Company has over the last 3 years built a technology platform through its digital application Dhani, which has been amongst the top 10 financial services applications in the world in 2019. The Company has been focussed toward financial inclusion by providing solutions to financial requirements of such segments of the market, which did not have access to credit. The office of the Registrar of Companies, Ministry of Corporate Affairs, have, vide its letter dated July 7, 2020, have approved the name "Dhani Loans and Services Limited".

REGULATORY GUIDELINES

Reserve Bank of India (RBI) is the regulator for Non-Banking Financial Companies. In accordance with this, the Company is in compliance with all regulations pertaining to Accounting Standards, Prudential norms for asset classification, income recognition, provisioning, capital adequacy and credit ratings.

SHARE CAPITAL

During the Financial Year 2019-20, there was no change in the share capital of the Company. Authorised share capital of the Company is Rs. 85,50,00,000/- divided into 8,00,00,000 Equity Shares of Rs. 10/- each and 55,00,000 Preference Shares of Rs. 10/- each. The paid up equity share capital of the Company as on March 31, 2020, was Rs. 61,18,80,000/- comprising of 6,11,88,000 equity shares of face value of Rs. 10/- each.

BORROWINGS

The Company primarily sources funds through Term Loans, Non-Convertible Debentures (NCDs), Securitisation and Commercial Paper (CP). The outstanding debt (as per Ind AS) as on March 31, 2020 was Rs. 475,297.57 lakh as compared to Rs. 756,311.56 lakh as on March 31, 2019.

NON-CONVERTIBLE DEBENTURES

During the year under review, the Company has successfully raised Rs. 1,68,20,28,000 by issue of Secured, Redeemable, Non-Convertible Debentures of face value of INR 1000/- each ("NCDs") through Public Issue. These NCDs are listed on National Stock Exchange of India Limited and BSE Limited. These NCDs have been assigned a rating of "CARE AA; Stable (pronounced as Double A; Outlook: Stable)" by "CARE Ratings" and BWR AA+ (pronounced as BWR Double A Plus) (Outlook: Stable) by Brickwork Ratings India Private Limited.

During the year under review, the Company has also raised Rs. 250,00,00,000 by issue of Secured, Redeemable, Non-Convertible Debentures of face value of INR 10,00,000/- each ("NCDs") through Private Placement. These NCDs are listed on National Stock Exchange of India Limited and BSE Limited. These NCDs have been assigned a rating of "CARE AA; Stable (pronounced as Double A; Outlook: Stable)" by "CARE Ratings". The Company has also redeemed NCDs amounting to Rs. 425 Crores during the year under review.

ADDRESS FOR CORRESPONDENCE

(i) Registered Office:

M-62 & 63, First Floor,
Connaught Place,
New Delhi - 110 001
Email: helpdesk@indiabulls.com
Tel: 011 3025 2900, Fax: 011 3015 6901
Website: www.indiabullsconsumerfinance.com

(ii) Corporate Office:

(a) "Indiabulls House"
448-451, Udyog Vihar, Phase V,
Gurugram – 122 016, Haryana
Tel: 0124 668 1199, Fax: 0124 668 1240

(b) Indiabulls House, Indiabulls Finance Centre,
Senapati Bapat Marg, Elphinstone Road,
Mumbai – 400 013, Maharashtra
Tel: 022 6189 1000, Fax: 022 6189 1421

DEBENTURE TRUSTEES

(I) IDBI Trusteeship Services Limited
17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001
Tel: 022 40807000
Fax: 022 66311776
Email: itsl@idbitrustee.com
Website: www.idbitrustee.com

REGISTRAR & TRANSFER AGENT

KFin Technologies Private Limited
Karvy Selenium, Tower B, Plot No.31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad - 500032
Tel : 040-6716 2222,
Fax: 040-23001153
Email: support@karvy.com
Website: www.karvyfintech.com

PUBLIC DEPOSITS

Being a Non Deposit taking Non-Banking Financial Company, your Company has not accepted any deposits from the public under Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

AUDITORS

(a) Statutory Auditors

M/s Walker Chandiok & Co LLP (Firm Regn. No. 001076N/N500013) (a member of Grant Thornton International), the statutory auditors of the Company were appointed by the members in their 23rd Annual General Meeting, held on September 29, 2017, for a period of five years i.e. until the conclusion of the 28th Annual General Meeting of the Company.

The Notes to the Accounts referred to in the Auditors' Report are self – explanatory and therefore do not call for any further explanation. No frauds have been reported by the Auditors of the Company in terms of Section 143(12) of the Companies Act, 2013.

(b) Secretarial Auditors & Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the rules made thereunder, the Company has appointed M/s A. K. Kuchhal & Co., a firm of Company Secretaries in practice as its Secretarial Auditors, to conduct the secretarial audit of the Company, for the

Financial Year 2019-20. The Company has provided all assistance, facilities, documents, records and clarifications etc. to the Secretarial Auditors for conducting their audit. The Report of Secretarial Auditors for the Financial Year 2019-20, is annexed as **Annexure 1**, forming part of this Report. The Report is self-explanatory and therefore do not call for any further explanation.

(c) Cost Records

The Company is not required to prepare and maintain cost records pursuant to Section 148(1) of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134 of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company, as at March 31, 2020 and the profit and loss of the company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis; and
- e) that proper internal financial controls were in place and that such financial controls were adequate and were operating effectively.
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

INFORMATION PURSUANT TO SECTION 134 AND SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH THE RELEVANT RULES

The information required to be disclosed pursuant to Section 134 and Section 197 of the Companies Act, 2013, read with the relevant rules (to the extent applicable), not elsewhere mentioned in this Report, are as under:

EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return, as on the financial year ended March 31, 2020, pursuant to Section 92(3) of the Companies Act, 2013, in form MGT-9, are given in **Annexure 2** forming part of this Report as well as available on the website of the Company at <http://indiabullsconsumerfinance.com/>

BOARD MEETINGS

During the FY 2019-20, 5 (Five) Board Meetings were convened by the Board of Directors of the Company.

LOANS, GUARANTEES OR INVESTMENTS

During the FY 2019-20, in terms of the provisions of Section 186 (1) of the Companies Act, 2013, the Company did not make any investments through more than two layers of investment companies. Further, the Company, being a non-banking finance company and registered with the Reserve Bank of India, loans given, guarantees provided and investments made by it, were not covered under the provisions of Section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

During the year, no materially significant related party transaction was entered by the Company with its Promoters, Key Management Personnel or other designated persons which may have potential conflict with the interest of the Company at large. All the related party transactions, entered into by the Company, during the financial year, were in its ordinary course of business and on an arm's length basis.

Further, Your Directors wish to draw attention of the members to Notes to the financial statement which sets out related party disclosures.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an elaborate system of internal controls commensurate with the size, scale and complexity of its operations; it also covers areas like financial reporting, fraud control, compliance with applicable laws and regulations etc. Regular internal audits are conducted to check and to ensure that responsibilities are discharged effectively.

MATERIAL CHANGES AND COMMITMENTS

The Company being a Non-Banking Finance Company is not required to use much of energy and technology absorption, however in compliance of Section 134(3) read with Rule – 8 of Companies (Accounts) Rules, 2014, the necessary reporting with regard to conservation of energy, technology absorption and foreign exchange earnings and outgo, is as under:

A. Conservation of Energy

The Company uses energy for its office equipment such as computers, lighting and utilities at its work premises. As an ongoing process the following measures are undertaken to conserve energy:

- a) Implementation of viable energy saving proposals.
- b) Installation of automatic power controllers to save maximum charges and energy.
- c) Awareness and training sessions, at regular intervals, to concerned operational personnel on opportunities of energy conservation and their benefits.

B. Technology Absorption

The Company is investing in cutting edge technologies to upgrade its infrastructure set up and innovative technical solutions, thereby increasing customer delight & employee efficiency. Next Generation Business Intelligence & analytics tool have been implemented to ensure that while data continues to grow, decision makers gets answers faster than ever for timely & critical level

decision making. The Company has implemented best of the breed applications to manage and automate its business processes to achieve higher efficiency, data integrity and data security. It has helped it in implementing best business practices and shorter time to market new schemes, products and customer services. The Company has taken major initiatives for improved employee experience and efficient Human resource management, by implementing world class HRMS application and empowering them by providing mobile platform to manage their work while on the go.

The Company's investment in technology has improved customer services, reduced operational cost and development of new business opportunities.

C. Foreign Exchange Earnings and Outgo

The Company has incurred software expenses of Rs. 1,180.10 lakh and marketing expense Rs. 118.39 lakh in foreign currency amounting to during the year under review.

BUSINESS RISK MANAGEMENT

Pursuant to the applicable provisions of the Companies Act, 2013, the Company has formulated robust business Risk Management framework to identify and evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on its business objectives and enhance its competitive advantage. It defines the risk management approach across the Company including the documentation and reporting. At present, the Company has not identified any element of risk which may threaten its existence.

PARTICULARS OF EMPLOYEES

The information of employees of the Company, employed by the Company through the year or part thereof, as required to be made in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure 3.

SUBSIDIARIES/ ASSOCIATES/ JOINT VENTURES

During the financial year 2019-20, there is no subsidiary and joint ventures of the Company. However, Transerv Private Limited having CIN: U93090MH2010PTC211328, is associate of the Company.

COMPLIANCES

During the year, the Company has complied with all applicable regulations of the Reserve Bank of India. As per Non-Banking Finance Companies RBI Directions, 1998, the directors hereby report that the Company did not accept any public deposits during the year and did not have any public deposits outstanding at the end of the year.

The Company is an unlisted company as its shares are not listed on any stock exchange. However, as per the provisions of the Companies Act, 2013, the Company is considered as a Listed Company as its Secured, Redeemable, Non-Convertible Debentures (NCDs) issued on private placement basis and public issue basis are listed on National Stock Exchange of India Limited and BSE Limited. The Company has thus complied with all the applicable Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

COMMITTEES OF THE BOARD

The Board has constituted various Committees to take informed decisions in the best interest of the Company. These Committees monitor the activities falling within their terms of reference. The details of these committees are as under.

(A) Audit Committee

Composition

In compliance with the provisions of the Companies Act, 2013, the Board has duly constituted the Audit Committee which currently comprises of three members, namely, Brig. Labh Singh Sitara (Retd.) (Independent Director) as the Chairman and Mr. Alok Kumar Misra (Independent Director) and Mr. Ajit Kumar Mittal (Non-Executive Director) as members.

Terms of reference of Audit Committee

- To oversee the financial reporting process and disclosure of financial information;
- To review with management, annual financial statements and ensure their accuracy and correctness before submission to the Board;
- To review with management and internal auditors, the adequacy of internal control systems, approving the internal audit plans/reports and reviewing the efficacy of their function, discussion and review of periodic audit reports including findings of internal investigations;
- To recommend the appointment of the auditors and their remuneration;
- To review and approve required provisions to be maintained as per IRAC norms and write off decisions and regulatory requirements on Balance Sheet Disclosures.
- To hold discussions with the Auditors.
- Review and monitoring of the auditor' independence and performance and effectiveness of the audit process.
- Examination of the auditor' report on financial statements of the Company (in addition to the examination of the financial statements) before submission to the Board.
- Approval of any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings and assets of the Company, wherever it is necessary.
- Monitoring the end use of funds raised through public offers and related matters as and when such funds are raised and also reviewing the utilization of the funds so raised for purposes other than those stated in the relevant offer document, if any and making appropriate recommendations to the Board in this regard.
- Review and monitoring of the performance of the statutory auditors and effectiveness of the audit process.
- To hold post audit discussions with the auditors to ascertain any area of concern
- To review the whistle blower mechanism.
- Approval to the appointment of the Chief Financial Officer after assessing the qualifications , experience and background etc. of the candidate.

- Review of information system audit of the internal systems and processes to assess the operational risks faced by the Company and also ensures that the information system audit of internal systems and processes is conducted periodically.

Meetings during the year

During the financial year ended March 31, 2020, the Committee met 5 (Five) times.

(B) Nomination & Remuneration Committee

Composition

In compliance with the provisions of the Companies Act, 2013, the Board has duly constituted the Nomination & Remuneration Committee (N&R Committee) which currently currently comprises of three members, namely, Brig. Labh Singh Sitara (Retd.) (Independent Director) as the Chairman, Mr. Alok Kumar Misra (Independent Director) and Mr. Nafees Ahmed (Non-Executive Director), as members.

Terms of reference of Nomination & Remuneration Committee

- To ensure 'fit and proper' status of all the directors on a continuing basis.
- To identify & advice Board in the matter of appointment and remuneration of Directors/KMPs.

Meetings during the year

During the financial year ended March 31, 2020, the Committee met 2 (Two) times.

Policy for selection and appointment of Directors

The (N&R Committee) has adopted a charter which, inter alia, deals with the manner of selection of the Board of Directors, senior management and their compensation. This Policy is accordingly derived from the said Charter.

- a. The incumbent for the positions of Directors/KMP and/or at senior management, shall be the persons of high integrity, possesses relevant expertise, experience and leadership qualities, required for the position.
- b. The Directors shall be of high integrity, with relevant expertise and experience so as to have the diverse Board with Directors having expertise in the fields of finance, banking, regulatory, taxation, law, governance and general management.
- c. In case of appointment of Independent Directors, the independent nature of the proposed appointee vis-a-vis the Company, shall be ensured.
- d. The N&R Committee shall consider qualification, experience, expertise of the incumbent, and shall also ensure that such other criteria with regard to age and other qualification etc., as laid down under the Companies Act, 2013 or other applicable laws are fulfilled, before recommending to the Board, for their appointment as Directors.
- e. In case of re-appointment, the Board shall take into consideration, the performance evaluation of the Director and his engagement level.

Remuneration Policy

Company's Remuneration Policy is market led, based on the fundamental principles of payment for performance, for potential and for growth. It also takes into account the competitive circumstances of the business, so as to attract and retain quality talent and leverage performance significantly. The N&R Committee recommends the remuneration payable to the Directors and Key Managerial Personnel, for approval by Board of Directors of the Company, subject to the approval of its shareholders, wherever necessary.

(C) Corporate Social Responsibility Committee

Composition

In compliance with the provisions of the Companies Act, 2013, the Board has re-constituted Corporate Social Responsibility Committee in its meeting held on December 04, 2018, which currently comprises of four members, namely, Brig. Labh Singh Sitara (Retd.), (Independent Director), as Chairman, Mr. Pinank Jayant Shah, Mr. Ajit Kumar Mittal and Ms. Preetinder Virk, as members.

Terms of reference of Nomination & Remuneration Committee

- To recommend to the Board, the CSR activity to be undertaken by the Company.
- To approve the expenditure to be incurred on the CSR activity.
- To oversee and review the effective implementation of the CSR activity.
- To ensure compliance of all related applicable regulatory requirements.

Meetings and Attendance during the year

During the financial year ended March 31, 2020, the Committee met 2 (Two) times.

Projects undertaken

As part of its initiatives under "Corporate Social Responsibility (CSR)", the Company has undertaken projects in the area of sanitation and nutrition, as per its CSR Policy and the details given in "Annexure 4", forming part of this Report. The project is in accordance with Schedule VII of the Companies Act, 2013 read with the relevant rules.

(D) Stakeholder Relationship Committee

Composition

In compliance with the provisions of the Section 178(5) of Companies Act, 2013, the Company has duly constituted Stakeholder Relationship Committee w.e.f March 12, 2019. The current composition of Stakeholder Relationship Committee comprises of three members namely Brig. Labh Singh Sitara (Retd.), (Independent Director), as Chairman, Mr. Nafees Ahmed and Ms. Preetinder Virk, as members.

Terms of reference of Stakeholder relationship Committee

- (i) to consider and resolve the grievances of security holders of the Company.
- (ii) to approve requests for NCDs transfers and transmissions.
- (iii) to approve the requests pertaining to remat of NCDs/sub division/consolidation/issue of renewed and duplicate NCDs certificates etc.

Meetings during the year

During the Financial Year ended March 31, 2020, the Committee met 4 (Four) times.

BOARD EVALUATION

The Nomination and Remuneration Committee (NRC) of the Board reassessed the framework, methodology and criteria for evaluating the performance of the Board as a whole, including Board committee(s), as well as performance of each director(s)/Chairman. The existing parameters includes effectiveness of the Board and its committees, decision making process, Directors/members participation, governance, independence, quality and content of agenda papers, team work, frequency of meetings, discussions at meetings, corporate culture, contribution, role of the Chairman and management of conflict of interest. On the basis of these parameters, the NRC had reviewed at length the performance of each director individually and expressed satisfaction on the process of evaluation and the performance of each Director. The performance evaluation of the Board as a whole and its committees as well as the performance of each director individually, including the Chairman was carried out by the entire Board of Directors. The performance evaluation of the Chairman, Executive Directors and Non-Executive Directors was carried out by the Independent Directors in their meeting held on October 22, 2019. The Directors expressed their satisfaction with the evaluation process.

NUMBER OF CASES FILED, IF ANY, AND THEIR DISPOSAL UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards any action on the part of any of its officials, which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every woman employee of the Company. The Company's Sexual Harassment Policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- i. number of complaints filed during the financial year - Nil
- ii. number of complaints disposed of during the financial year - Nil
- iii. number of complaints pending as on end of the financial year- Nil

Further, the Company has complied with provisions relating to the constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received, if any, regarding sexual harassment.

SECRETARIAL STANDARDS

The Board of Directors state that the Company has complied with the applicable Secretarial Standards (SS-1 and SS-2) respectively relating to Meetings of the Board, its Committees and the General Meetings as issued by the Institute of Company Secretaries of India.

VIGIL MECHANISM

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company has implemented the Vigil Mechanism Policy ("the Policy"), to provide an avenue for employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. The Policy applies to all employees working for the Company. Pursuant to the Policy, the whistle blowers can raise concerns relating to matters such as breach of Company's Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, misappropriation of Company's funds / assets etc. A whistle-blowing or reporting mechanism, as set out in the Policy, invites all employees to act responsibly to uphold the reputation of the Company and its subsidiaries. The Policy aims to ensure that serious concerns are properly raised and addressed and are recognized as an enabling factor in administering good governance practices.

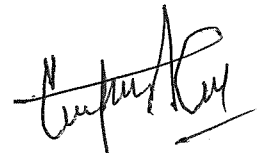
ACKNOWLEDGEMENT

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functional areas and the efficient utilization of all its resources for sustainable and profitable growth. Your Directors wish to place on record their appreciation of the contributions made all those who were connected with the Company, for their support during the year.

For and on behalf of the Board of Directors



Pinank Jayant Shah
Whole-time Director
DIN : 07859798



Nafees Ahmed
Director
DIN : 03496241

Place: Mumbai
Date: September 9, 2020



A. K. Kuchhal & Co., *Company Secretaries* (Peer Reviewed Firm)

C-154, Sector 51, Noida, U. P.-201301
Ph.: 0120- 4214372, Email: pcsakk.noida@gmail.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Dhani Loans and Services Limited

Formerly Known as Indiabulls Consumer Finance Limited

CIN U74899DL1994PLC062407

M-62 & 63, First Floor

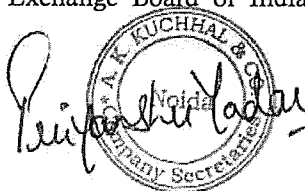
Connaught Place, New Delhi-01

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Dhani Loans and Services Limited (*Formerly Known as Indiabulls Consumer Finance Limited*) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; [Applicable only to the extent of Foreign Direct Investment and Overseas Direct Investment]
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;



- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
 - (d) The SEBI (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Not Applicable as there was no reportable event during the period under review]; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as applicable [Not Applicable as there was no reportable event during the period under review];
- (vi) Other laws specifically applicable to the Company, namely:
- (a) All the Rules, Regulations, Guidelines and Circulars applicable to Non Banking Financial Companies under the RBI Act, 1934
 - (b) Credit Information Companies (Regulation) Act, 2005 and Rules

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India
- ii. The Listing Agreements entered into by the Company with the Stock Exchanges of India Limited and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions of the Board and Committees thereof were carried out with requisite majority.




We further report that based on review of compliance mechanism established by the Company, we are of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has:

- i. During the period under review, the Company has allotted 16,82,028 Secured Redeemable Non-Convertible Debentures of Rs. 1,000/- each, through Public Issues and 2,500 Secured Redeemable Non-Convertible Debentures of Rs. 10,00,000/- each, on private placement basis & Secured Redeemable Non-Convertible Debentures amounting to Rs. 425 cr. have been redeemed.
- ii. The Company had taken Board's and Shareholders approval on July 31, 2019 and September 27, 2019 respectively, to shift its Registered Office from Delhi to the State of Haryana.
- iii. During the period under review the Company had invested an aggregate amount of Rs.8,19,52,60,493 in the Equity Share Capital of its subsidiaries.

**For A. K. Kuchhal & Co.
Company Secretaries**



**(Priyanshu Yadav)
Partner**

C. P. 23043

UDIN: A061820B000608476

Date: August 24, 2020
Place: Noida

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed and forms an integral part of this report.

ANNEXURE TO SECRETARIAL AUDITORS' REPORT

To,

The Members,

Dhani Loans and Services Limited

Formerly Known as Indiabulls Consumer Finance Limited

CIN U74899DL1994PLC062407

M-62 & 63, First Floor

Connaught Place, New Delhi-01

Our Secretarial Audit Report of even date, for the financial year 2019-20 is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and books of account of the Company.

**For A. K. Kuchhal & Co.
Company Secretaries**



(Priyanshu Yadav)

Partner

C. P. 23043

UDIN: A061820B000608476

Date: August 24, 2020

Place: Noida

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2020
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U74899DL1994PLC062407
ii	Registration Date	27-Oct-94
iii	Name of the Company	DHANI LOANS AND SERVICES LIMITED (formerly INDIABULLS CONSUMER FINANCE LIMITED)
iv	Category/Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	M - 62 & 63, First Floor, Connaught Place, New Delhi-110001
vi	Whether listed company	Yes (Debt Listed)
vii	Name, Address & contact details of Registrar & Transfer Agent, if any.	Karvy Fintech Private Limited Karvy Selenium, Tower B, Plot No.31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032 Tel : 040-6716 2222 - Fax: 040-23001153 E-mail: einward.ris@karvy.com

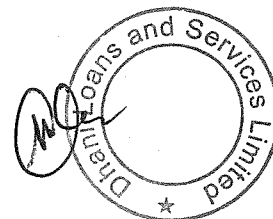
II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl. No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	FINANCIAL INTERMEDIATION	6492	97.13%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

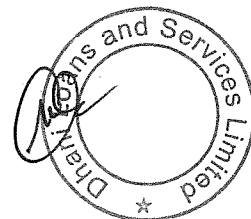
Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Indiabulls Ventures Limited, M 62 & 63, First Floor, Connaught Place, New Delhi- 110001	L74999DL1995PLC069631	Holding Company	100%	Section 2(46) of Companies Act, 2013
2	Indiabulls Investment Advisors Limited, M 62 & 63, First Floor, Connaught Place, New Delhi-110001	U74992DL2008PLC182331	Subsidiary Company	100%	Section 2(46) of Companies Act, 2013
3	Indiabulls Distribution Services Limited, M 62 & 63, First Floor, Connaught Place, New Delhi-110001	U74999DL2009PLC191143	Subsidiary Company	86%	Section 2(46) of Companies Act, 2013
4	Indiabulls Alternate Investment Limited, M 62 & 63, First Floor, Connaught Place, New Delhi-110001	U74999DL2016PLC290926	Subsidiary of Subsidiary Company	-	Subsidiary of Subsidiary co.
5	TranServ Limited, 1002-B 10th Floor Tower1 Indiabulls Finance Center S B Marg, Elphinstone Road (W), Mumbai 400013	U93090MH2010PTC211328	Subsidiary Company	42%	Section 2(6) of Companies Act, 2013



SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	0	0	0	0	0	0	0	0	0
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.	0	0	0	0	0	0	0	0	0
d) Bodies Corporates*	61,187,994	6	61,188,000	100%	61,187,994	6	61,188,000	100%	0%
e) Bank/FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
SUB TOTAL:(A) (1)	61,187,994	6	61,188,000	100%	61,187,994	6	61,188,000	100%	0%
(2) Foreign	0	0	0	0	0	0	0	0	0
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter									
(A)= (A)(1)+(A)(2)	61,187,994	6	61,188,000	100%	61,187,994	6	61,188,000	100%	0%
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(1):	0	0	0	0	0	0	0	0	0
(2) Non Institutions									
a) Bodies corporates	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	0	0	0	0	0	0	0	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding									
(B)= (B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs									
	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	61,187,994	6	61,188,000	100%	61,187,994	6	61,188,000	100%	0%

*Includes 6 shares held by 6 individual nominees holding 1 equity share each on behalf of Indiabulls Ventures Limited (body corporate)



(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year (C=B-A)
		No of shares	% of total shares of the company (A)	% of shares pledged/encumbered to total shares	No of shares	% of total shares of the company (B)	% of shares pledged/encumbered to total shares	
	Indiabulls Ventures Limited*	61188000	100%		61188000	100%	0	0%
	Total	61188000	100%	0	61188000	100%	0	0%

* along with its 6 individual nominees holding 1 equity share each

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.	Share holding at the beginning of the Year	Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company
	N.A.		
Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment)*			

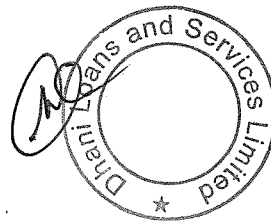
* Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)

S.No.	Name	Date	No. of Shares	% of total shares of the Company	Date wise Increase/Decrease in shareholding	Reason	No. of Shares (cumulative)	% of total shares of the Company (cumulative)
		beginning of the year						
	N.A.							

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	NIL	NIL		NIL	NIL

The entire shareholding of the Company is held by its promoter i.e Indiabulls Ventures Limited.



(v) Shareholding of Directors & KMP
A) Shareholding of Directors

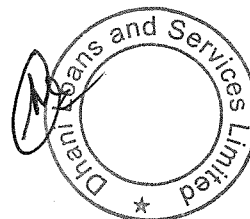
Sl. No.	Name*	Shareholding			Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease	Cumulative Shareholding during the year (01-Apr-2018 to 31-Mar-2019)	
		Date [beginning of the year (01-Apr-2019) /end of the year (31-Mar-2020)]	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
	NIL						

*The entire shareholding of the Company is held by its promoter, Indiabulls Ventures Limited.

B) Shareholding of KMP

Sl. No.	Name*	Shareholding			Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease	Cumulative Shareholding during the year (01-Apr-2018 to 31-Mar-2019)	
		Date [beginning of the year (01-Apr-2019) /end of the year (31-Mar-2020)]	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
	NIL						

*None of the Directors or Key Managerial Personnel holds any shares in the Company. The entire shareholding of the Company is held by its promoter i.e. Indiabulls Ventures Limited.



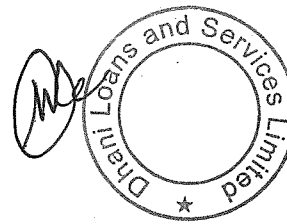
V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	58,179,220,897	12,252,000,000	-	70,431,220,897
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	58,179,220,897	12,252,000,000	-	70,431,220,897
Change In Indebtedness during the financial year				
Additions	10,782,028,000	-	-	10,782,028,000
Reduction	30,793,740,797	12,252,000,000	-	43,045,740,797
Net Change	-20,011,712,797	-12,252,000,000	-	-32,263,712,797
the end of the financial year				
i) Principal Amount	38,167,508,100	-	-	38,167,508,100
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	38,167,508,100	-	-	38,167,508,100

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount	
1	Gross salary	Mr. Pinank Jayant Sheh (CEO & WTD)				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	-	26,710,616		-	26,710,616
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (other than ESOP)	-	39,600		-	39,600
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-		-	-
2	Stock option	-	-		-	-
3	Sweat Equity	-	-		-	-
4	Commission as % of profit others (specify)	-	-		-	-
5	Others, please specify- Director Seating Fee	-	-		-	-
	Total (A)	-	26,750,216		-	26,750,216
	Ceiling as per the Act	Rs. 306.02 lakh (being 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)				

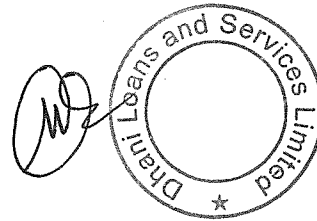


B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of Directors						Total Amount
		Brig. Labh Singh Sitara (Retd.)	Mr. Alok Kumar Misra					
1	Independent Directors							
	(a) Fee for attending board/committee meetings	436,000	545,000	-	-	-	-	981,000
	(b) Commission	-	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-	-
	Total (1)	436,000	545,000	-	-	-	-	981,000
2	Other Non-Executive Directors	Mr. Ajit Kumar Mittal	Mr. Gagan Banga	Mr. Nafees Ahmed	Mrs. Manjari Kacker	Ms. Preetinder Virk		
	(a) Fee for attending board/committee meetings	-	-	-	-	218,000	-	218,000
	(b) Commission	-	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	218,000	-	218,000
	Total (B)=(1+2)	436,000	545,000	-	-	218,000	-	1,199,000
	Total Managerial Remuneration (A) + (B)	-	-	-	-	-	-	-
	Ceiling as per the Act	Rs. 61.20 lakh (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)						

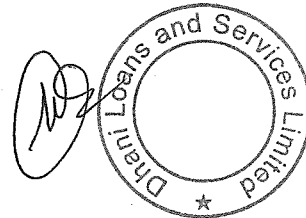
C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Manish Rustagi, Company Secretary			
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	3,149,497	NA	NA	3,149,497
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (other than ESOP)	78,874	NA	NA	78,874
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	NA	NA	-
2	Stock Option	-	NA	NA	-
3	Sweat Equity		NA	NA	
4	Commission as % of profit		NA	NA	
	others, specify		NA	NA	
5	Others, please specify		NA	NA	
	Total	3,228,371	NA	NA	3,228,371



VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL



ANNEXURE 4

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR Policy, including overview of projects or programs, proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.

The Company focuses its CSR efforts on such areas, where it could provide maximum benefits to the society at large. These are, improving awareness of communities towards nutrition, sanitation, education, health, animal welfare and rural development etc. The Company will continue to engage with stakeholders including experts, NGOs, professional bodies / forums and the government and would take up such CSR activities in line with the government's intent, which are important for the society at large. The Company may also undertake such other CSR projects, where societal needs are high or in special situations (natural disasters etc.)

CSR Policy can be accessed as under:

2. **Web-link:** https://www.indiabullsconsumerfinance.com/policies/CSR_Policy.pdf
3. **Composition of the CSR Committee**
Brig. Labh Singh Sitara (Retd.), Chairman (Independent Director)
Mr. Pinank Jayant Shah, Member (Executive Director)
Mr. Ajit Kumar Mittal, Member (Non-Executive Director)
Ms. Preetinder Virk, Member (Non-Executive Director)
4. **Average Net Profit of the Company for last three financial years:** Rs. 313,29,03,004/-
5. **Prescribed CSR Expenditure (two percent of the amount as in item 4 above):** Rs. 6,26,60,000/-
6. **Details of CSR spend for the financial year:**
 - a. **Total amount spent for the financial year:** Rs. 6,26,60,000/-
 - b. **Amount unspent, if any:** Nil
 - c. **Manner in which the amount spent during the financial year is detailed below:**

(Figs. in Rupees)

1	2	3	4		5	6	7	8
Sr. No	CSR project or activity identified	Sector in which the project is covered	Projects or Programs		Amount Outlay (Budget) Project or Programs-wise	Amount Spent on Project or Programs Sub Heads:	Cumulative Expenditure up to 31st March 2019	Amount Spent Direct or through implementing agency *
			District	State				
1	Distribution of Sanitary Napkins (KUMUD)	Sanitation	Mumbai, Thane, Palghar, Nashik Raigad,	Maharashtra	2,40,00,000	2,40,00,000	2,40,00,000	Implementing Agency (Indiabulls Foundation)
2	Poshtik Ahar	Nutrition	Mumbai, Thane, Palghar, Nashik Raigad,	Maharashtra	3,86,60,000	3,86,60,000	3,86,60,000	Implementing Agency (Indiabulls Foundation)
Total					6,26,60,000	6,26,60,000	6,26,60,000	

* *Indiabulls Foundation is a registered Trust established by the Company along with other companies.*

7. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in Board's report.


During the financial year 2019-20, the Company has contributed its entire CSR expenditure aggregating to Rs. 6,26,60,000 to the corpus of Indiabulls Foundation, for undertaking CSR projects, on its behalf. Contribution made covers the mandatory CSR expenditure which was required to be made by the Company.

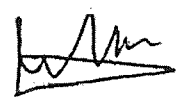
8. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and Policy of the Company.

The Company understands that for it to continue to prosper over the long term, the community, environment and society at large must also prosper. During the financial year 2019-20, the implementation and monitoring of CSR Policy of the Company were environment friendly and in compliance with the applicable laws, CSR objectives and Policy of the Company.

For Indiabulls Consumer Finance Limited
(formerly IVL Finance Limited)

Date: June 25, 2020
Place: Mumbai


Pinank Jayant Shah
Whole-time Director & CEO
DIN: 07859798


Brig. Labh Singh Sitara (Retd.)
Chairman – CSR Committee
DIN: 01724648

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
6th Floor, Plot No. 19A,
Sector 16A, Noida 201301
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Independent Auditor's Report

To the Members of Indiabulls Consumer Finance Limited (formerly IVL Finance Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

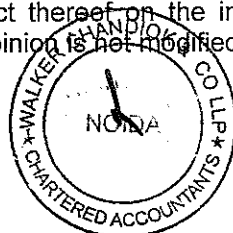
1. We have audited the accompanying standalone financial statements of Indiabulls Consumer Finance Limited (formerly IVL Finance Limited) ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2020, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

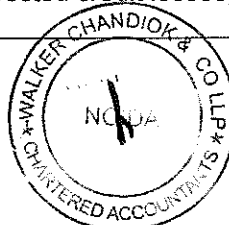
4. We draw attention to Note 55 to the accompanying standalone financial statement, which describes the uncertainties relating to the effects of COVID-19 pandemic outbreak on the Company's operations that are dependent on future developments, and the impact thereof on the impairment assessment of financial assets outstanding as at 31 March 2020. Our opinion is not modified in respect of this matter.



Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. We have determined the matters described below to be the key audit matters to be communicated in our report.

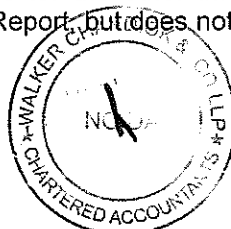
Key Audit Matters	How our audit addressed the key audit matters
<p>Expected Credit Losses on loans</p> <p>[Refer note 3 for the accounting policy and note 6 and note 43 for the related disclosures]</p>	
<p>As at 31 March 2020, the Company has financial assets (loans) amounting to Rs. 470,924.65 lakh against which the Company has recognized an impairment loss of Rs. 52,970.11 lakh.</p> <p>Indian Accounting Standard ('Ind AS') 109, Financial Instruments requires the Company to provide for impairment of its financial assets using expected credit losses approach.</p> <p>The expected credit loss is calculated using the percentage of probability of default, loss given default and exposure at default for each of the stages of loan portfolio based on industry data sourced from a leading credit bureau. Such estimates have then been adjusted to reflect the uncertainties relating to COVID-19 pandemic outbreak and its impact on impairment loss assessment.</p> <p>Loan assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial assets on statement of profit and loss.</p> <p>The determination of impairment provisions and write offs is complex, and significant judgements are required around both the timing of recognition of impairment provisions and estimation of the amount of allowances required in relation to loss events.</p> <p>Considering the significance of the above matter to the standalone financial statements, high estimation uncertainty</p>	<p>Our audit focused on assessing the appropriateness of management's judgment and estimates used in the impairment analysis through the following procedures, but were not limited to the following:</p> <p>(a) obtaining an understanding of the model adopted by the Company for calculation of expected credit losses on loan assets and the appropriateness of such methodology in accordance with the requirements of applicable accounting standards;</p> <p>(b) testing the design and operating effectiveness of key controls relating to calculation of expected credit loss. This includes testing performed by IT specialists to test the data flows from source systems to spreadsheet-based models to test their completeness and accuracy;</p> <p>(c) testing the modelling assumptions and inputs which are based on industry experience as collated by an expert, by benchmarking independently such inputs with data of other comparable companies to assess reasonability of such assumptions. The management overlay of additional provision recognised due to impact of COVID-19 was also reviewed for reasonableness basis our understanding of the loan portfolio risk and historical experience;</p> <p>(d) testing the ageing of loan balances on sample basis to ensure the appropriateness of loan categorisation across various stages performed by the management in accordance with the accounting policy, while considering the directions issued by the Reserve Bank of India on such classification of loans falling due during the moratorium period extended to the borrowers;</p> <p>(e) testing the arithmetical accuracy of the calculation of expected credit losses;</p>



Key Audit Matters	How our audit addressed the key audit matters
<p>and significant management judgments involved, this area required significant auditor's attention to test such complex accounting estimates. Therefore, we have identified this as a key audit matter for current year audit.</p> <p>We also draw attention to Note 55 to the accompanying standalone financial statements which describe the uncertainties relating to the effects of COVID-19 pandemic outbreak that impact the impairment assessment of loan assets outstanding as at 31 March 2020.</p>	<p>(f) verifying the adequacy and appropriateness of the related disclosures in accordance with the requirements of relevant accounting standards;</p> <p>(g) obtaining and verifying the relevant approvals for write-off of the loan assets in accordance with the Company's policy; and</p> <p>(h) obtaining written representations from management and those charged with governance whether they believe significant assumptions used in calculation of expected credit losses are reasonable.</p>
2. Use of information processing system for accounting and financial reporting	
<p>The Company relies upon information processing systems for recording, processing, classifying and presenting the large volume of transactions entered into by the Company. The Company has put in place IT General Controls and automated IT Controls to ensure that the information produced by the Company is reliable. Among other things, the management also uses the information produced by the entity's information processing systems for accounting and the preparation and presentation of the financial statements.</p> <p>Since our audit strategy included focus on Company's information processing systems relevant to our audit due to their pervasive impact on the financial statements, we have determined the use of information processing system for accounting and financial reporting as a key audit matter for the current year audit.</p>	<p>Our key audit procedures on this matter included, but were not limited, to the following:</p> <p>(a) obtaining an understanding of the Company's information processing systems, IT General Controls and automated IT controls for applications, databases and operating systems relevant to our audit;</p> <p>(b) involving IT specialists (auditor's expert) for performance of the following procedures:</p> <p>(i) testing the IT General Controls around user access management, changes to IT environment and segregation of duties over key financial accounting and reporting processes; and</p> <p>(ii) testing the automated controls like interfaces, configurations and information generated by the entity's information processing systems for loans, brokerage fees, interest income and other significant financial statement items.</p> <p>(c) obtaining written representations from management and those charged with governance on whether IT general controls and automated IT controls are designed and were operating effectively during the period covered by our audit.</p>

Information other than the Standalone Financial Statements and Auditor's Report thereon

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial



statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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.
9. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

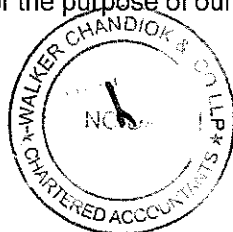
11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
12. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
 - We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

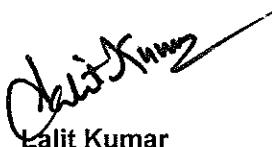
15. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
16. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
17. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 of the accompanying standalone financial statements;



Walker Chandiook & Co LLP

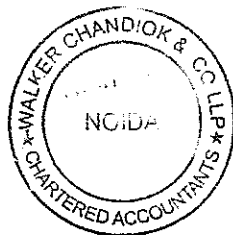
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the standalone financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;
- f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 31 March 2020 as per Annexure II expressed an unmodified opinion; and
- 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in note 41 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2020;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Lalit Kumar
Partner
Membership No.: 095256
UDIN: 20095256AAAABS1376

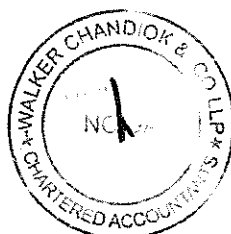
Place: Noida
Date: 25 June 2020



Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
- (b) The Company has a regular program of physical verification of its property, plant and equipment under which property, plant and equipment are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:
 - (a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the company's interest.
 - (b) the schedule of repayment of principal and payment of interest has been stipulated and the repayment/receipts of the principal amount and the interest are regular;
 - (c) there is no overdue amount in respect of loans granted to such companies.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 78 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) 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 other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

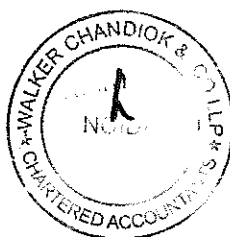


- (b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of dispute as follows:

Statement of dues

Name of the Statute	Nature of dues	Amount (Rs. in lakh)	Amount paid under protest (Rs. in lakh)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Penalty	0.91	0.91	AY 2011-12	Commissioner of Income-tax (Appeal)
Income-tax Act, 1961	Tax	95.03	95.03	AY 2013-14	Commissioner of Income-tax (Appeal)

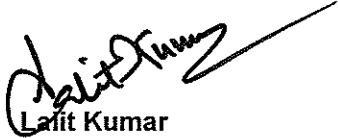
- (viii) The Company has not defaulted in repayment of loans or borrowings to any financial institution or a bank or any dues to debenture-holders during the year. The Company did not have any dues payable to government during the year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has applied moneys raised by way of public offers of debt instruments and term loans during the year for the purposes for which these were raised, though idle funds which were not required for immediate utilisation have been invested in liquid investments, payable on demand.
- (x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid/ provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the Company has made private placement of redeemable non-convertible debentures. In respect of the same, in our opinion, the Company has complied with the requirement of Section 42 of the Act and the Rules framed thereunder. Further, in our opinion, the amounts so raised were applied for the purposes for which these securities were issued, though idle funds which were not required for immediate utilisation have been invested in liquid investments, payable on demand.
- (xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.



Walker Chandiook & Co LLP

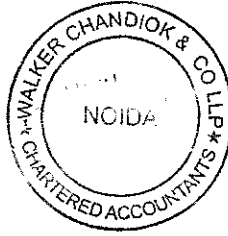
- (xvi) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Lalit Kumar
Partner
Membership No.: 095256
UDIN: 20095256AAAABS1376

Place: Noida
Date: 25 June 2020



Annexure II

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Indiabulls Consumer Finance Limited (formerly IVL Finance Limited) ('the Company') as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

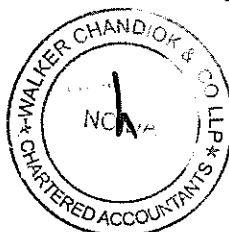
2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the inter financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial reporting (the 'Guidance Note') 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 the Company's business, including adherence to the 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 for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.

Meaning of Internal Financial Controls with Reference to Financial Statements

5. A Company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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.

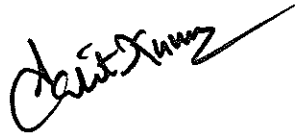
Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

6. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

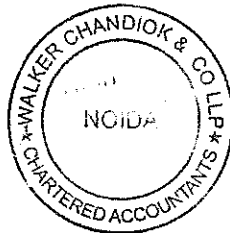
Opinion

7. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2020, based on the inter financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Lalit Kumar
Partner
Membership No.: 095256
UDIN: 20095256AAAABS1376



Place: Noida
Date: 25 June 2020

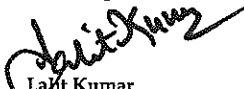
INDIABULLS CONSUMER FINANCE LIMITED
(Formerly known as IVL Finance Limited)
Standalone Balance Sheet as at 31 March 2020
(All amounts are in Indian Rupees in lakh unless stated otherwise)

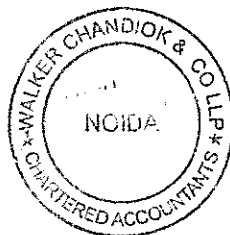
	Notes	As at 31 March 2020	As at 31 March 2019
ASSETS			
Financial assets			
Cash and cash equivalents	4	1,96,686.93	93,078.55
Bank balance other than cash and cash equivalents	5	33,798.54	14,538.84
Loans	6	4,17,954.54	10,50,813.31
Investments	7	1,93,991.46	57,663.38
Other financial assets	8	52,199.87	4,789.32
Total financial assets		8,94,631.34	12,20,883.40
Non-financial assets			
Current tax assets (net)	9	9,093.74	713.51
Deferred tax assets (net)	10	4,799.08	3,393.28
Investment accounted for using equity method	11	-	3,570.43
Property, plant and equipment	12(a)	6,308.34	3,093.33
Right-of-use assets	12(b)	22,095.04	-
Intangible assets under development	12(c)	542.56	246.07
Other intangible assets	12(d)	4,879.56	5,184.96
Other non-financial assets	13	12,031.36	8,688.92
Total non-financial assets		59,749.68	24,890.50
TOTAL ASSETS		9,54,381.02	12,45,773.90
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Derivative financial instruments	14	-	209.42
Payables			
Trade payables	15		
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		6,323.52	5,804.12
Other payables	16		
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		3,009.50	1,819.40
Debt securities	17	79,677.24	1,73,486.15
Borrowings (other than debt securities)	18	3,95,620.33	5,82,825.41
Lease liabilities	19	23,343.26	-
Other financial liabilities	20	15,827.93	41,227.20
Total financial liabilities		5,23,801.78	8,05,371.70
Non-financial liabilities			
Provisions	21	2,441.36	1,067.53
Other non-financial liabilities	22	4,364.13	2,521.81
Total non-financial liabilities		6,805.49	3,589.34
EQUITY			
Equity share capital	23	6,118.80	6,118.80
Other equity	25	4,17,654.95	4,30,694.06
Total equity		4,23,773.75	4,36,812.86
TOTAL LIABILITIES AND EQUITY		9,54,381.02	12,45,773.90

The accompanying notes form an integral part of these standalone financial statements.


This is the balance sheet referred to in our report of even date.


For Walker Chandiook & Co LLP
Chartered Accountants
Firm's registration no. : 001076N/N500013



Lalit Kumar
Partner
Membership No.: 095256

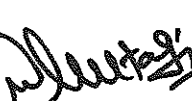


For and on behalf of the board of directors


Pinank Jayant Shah
Whole Time Director &
Chief Executive Officer
DIN: 07859798


Nafes Ahmed
Director
DIN: 03496241

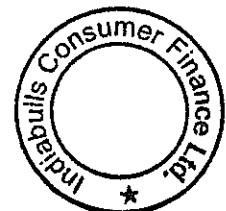

Rajesh Anjan Agrawal
Chief Financial Officer


Manish Rustagi
Company Secretary

Place: Noida
Date: 25 June 2020

Place: Mumbai
Date: 25 June 2020

Place: Gurugram
Date: 25 June 2020



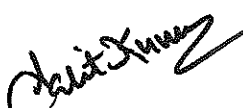
INDIABULLS CONSUMER FINANCE LIMITED
(Formerly known as IVL Finance Limited)
Standalone Statement of Profit and Loss for the year ended 31 March 2020
(All amounts are in Indian Rupees in lakh unless stated otherwise)

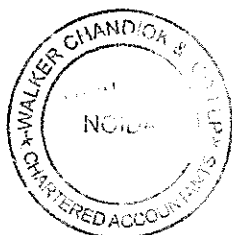
	Notes	Year ended 31 March 2020	Year ended 31 March 2019
Revenue from operations			
Interest income	26	1,75,944.98	1,46,704.91
Dividend income	27	4,934.94	2,534.78
Fees and commission income	28	9,138.64	11,833.11
Net gain on fair value changes	29	-	753.47
Net gain on derecognition of financial assets	30	61,669.04	2,979.61
Total revenue from operations		2,51,687.60	1,64,805.88
Other income	31	-	196.13
Total income		2,51,687.60	1,65,002.01
Expenses			
Finance costs	32	73,966.08	55,947.78
Net loss on fair value changes	29	1,415.20	-
Impairment on financial assets	33	81,625.21	10,301.34
Employee benefits expense	34	41,784.53	22,992.60
Depreciation and amortisation	35	7,802.00	1,890.83
Other expenses	36	40,133.55	20,529.89
Total expenses		2,46,726.57	1,11,662.44
Profit before tax		4,961.03	53,339.57
Tax expense:	37		
Current tax		1,186.31	15,530.01
Deferred tax credit		(1,650.74)	(2,209.84)
Total tax expenses		(464.43)	13,320.17
Profit for the year		5,425.46	40,019.40
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment obligations		(85.81)	(44.57)
Income-tax expense relating to above items		21.60	15.58
Items that will be reclassified to profit or loss			
Remeasurement of business model on assignment transaction		1,059.00	-
Income-tax expense relating to above items		(266.53)	-
Other comprehensive income		728.26	(28.99)
Total comprehensive income for the year		6,153.72	39,990.41
Earnings per equity share	38		
Basic (Rs.)		8.87	79.49
Diluted (Rs.)		8.87	71.66

The accompanying notes form an integral part of these standalone financial statements.

This is the statement of profit and loss referred to in our report of even date.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's registration no. : 001076N/N500013

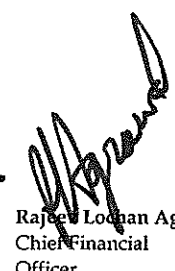

Lalit Kumar
Partner
Membership No.: 095256

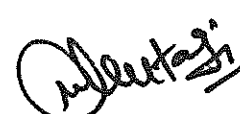


For and on behalf of the board of directors


Pinank Jayant Shah
Whole Time Director &
Chief Executive Officer
DIN: 07859798


Nitesh Ahmed
Director
DIN: 03496241

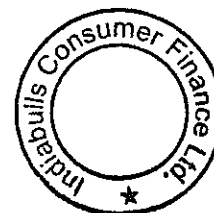

Rajeev Lochan Agrawal
Chief Financial
Officer


Manish Rustagi
Company Secretary

Place: Noida
Date: 25 June 2020

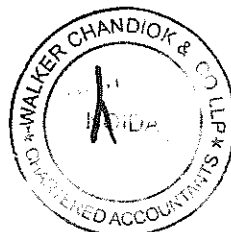
Place: Mumbai
Date: 25 June 2020

Place: Gurugram
Date: 25 June 2020



INDIABULLS CONSUMER FINANCE LIMITED
(Formerly known as IVL Finance Limited)
Standalone Cash flow statement for the year ended 31 March 2020
(All amounts are in Indian Rupees in lakh unless stated otherwise)

	For the year ended 31 March 2020	For the year ended 31 March 2019
A Cash flow from operating activities:		
Profit before tax	4,961.03	53,339.57
Adjustments for:		
Depreciation and amortisation	7,802.00	1,890.83
Impairment on financial instruments	81,625.21	10,301.34
Provision for gratuity and compensated absences	1,263.08	358.66
Finance cost	2,478.85	-
Loss/(profit) on fair value changes	1,415.20	(753.47)
Gain on sale of loan portfolio through assignment	(39,621.27)	(2,980.68)
Effective interest rate adjustment for financial instruments	2,659.27	(2,102.89)
Share based payments to employees	1,504.20	3,453.69
	<u>59,126.54</u>	<u>10,167.48</u>
Operating profit before working capital changes	64,087.57	63,507.05
Adjustments for:		
Loans	5,54,208.27	(6,60,863.45)
Other financial assets	(29,332.23)	(8,062.48)
Other non financial assets	(3,874.50)	(4,409.32)
Derivative liabilities	(209.42)	(470.38)
Trade payables	519.40	3,031.54
Other payables	1,190.10	1,459.41
Other financial liabilities	(25,399.27)	(21,870.76)
Provisions	24.94	443.25
Other non financial liabilities	1,842.32	1,214.54
	<u>4,98,969.61</u>	<u>(6,89,527.65)</u>
Cash generated from/(used in) operating activities	5,63,057.18	(6,26,020.60)
Income taxes paid (including tax deducted at source)	(9,566.53)	(16,133.56)
Cash generated from/(used in) operating activities	<u>5,53,490.65</u>	<u>(6,42,154.16)</u>
B Cash flow from investing activities:		
Purchase of property, plant and equipment, intangible assets under development and other intangible assets	(6,429.45)	(7,323.97)
Investment made in subsidiaries/associates	(81,952.60)	(3,570.43)
Purchase of other investments (net)	(52,220.25)	(12,027.30)
Net cash used in investing activities	<u>(1,40,602.30)</u>	<u>(22,921.70)</u>
C Cash flow from financing activities:		
Proceeds from issue of equity shares (including premium)	-	2,57,224.80
Redemption of preference shares (including premium)	-	(27,500.00)
Proceeds from debt securities	41,820.28	7,86,539.71
Repayment of debt securities	(1,37,500.00)	(6,46,419.18)
Proceeds from borrowings (other than debt securities)	1,72,552.80	9,37,211.04
Repayment of borrowings (other than debt securities)	(3,60,404.65)	(6,31,558.26)
Payment of lease liabilities	(4,909.68)	-
Dividends paid (including dividend distribution tax)	(20,838.72)	(5,579.27)
Net cash (used in) / generated from financing activities	<u>(3,09,279.97)</u>	<u>6,69,918.84</u>
D Net increase in cash and cash equivalents (A+B+C)	1,03,608.38	4,842.98
E Cash and cash equivalents at the beginning of the year	93,078.55	88,235.57
F Cash and cash equivalents at the end of the year (D + E)	<u>1,96,686.93</u>	<u>93,078.55</u>



INDIABULLS CONSUMER FINANCE LIMITED
 (Formerly known as IVL Finance Limited)
Standalone Cash flow statement for the year ended 31 March 2020
 (All amounts are in Indian Rupees in lakh unless stated otherwise)

Notes:

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

	As at 31 March 2020	As at 31 March 2019
2 Cash and cash equivalents as at the end of the year include:		
Cash in hand	6.19	0.92
Balances with banks:		
- in current accounts	1,81,681.12	85,029.94
- in term deposits with original maturity of less than three months*	14,999.62	8,047.69
Cash and cash equivalents at the end of the year	1,96,686.93	93,078.55


*Rs. 2,500.68 lakh (31 March 2019: Rs. 556.67 lakh) pledged for overdraft facilities availed by the Company

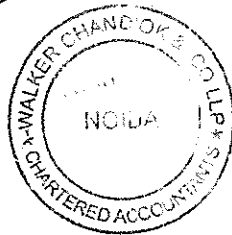
3 For disclosures relating to changes in liabilities arising from financing activities, refer note 50.

The accompanying notes form an integral part of these standalone financial statements.

This is the cash flow statement referred to in our report of even date.




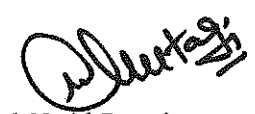
For Walker Chandiook & Co LLP
 Chartered Accountants
 Firm's registration no. : 001076N/N500013


 Lalit Kumar
 Partner
 Membership No.: 095256



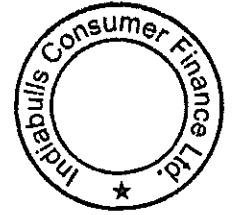
Place: Noida
 Date: 25 June 2020

For and on behalf of the board of directors

   
 Pinank Jayant Shah Nafees Ahmed Rajeev Dhotan Agrawal Manish Rustagi
 Whole Time Director & Director Chief Financial Officer Company Secretary
 Chief Executive Officer DIN: 03496241
 DIN: 07859798

Place: Mumbai
 Date: 25 June 2020

Place: Gurugram
 Date: 25 June 2020



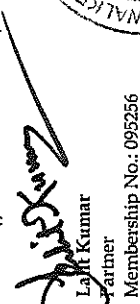
INDIABULLS CONSUMER FINANCE LIMITED
(Formerly known as IVL Finance Limited)
Standalone Statement of Changes in Equity for the year ended 31 March 2020
(All amounts are in Indian Rupees in lakh unless stated otherwise)

Particulars	Balance as at 1 April 2018		Changes during the year		Balance at 31 March 2019		Changes during the year		Balance at 31 March 2020	
		2,455.16	3,663.64		6,118.80			6,118.80		6,118.80
(A) Equity share capital (refer note 23)										
Equity share capital										
(B) Other equity (refer note 25)										
Particulars	Securities premium	Capital redemption reserve	Reserve Fund (U/s 45-IC of RBI Act, 1934)	Share options outstanding account	Retained earnings	Change in fair value of loan assets through other comprehensive income	Other component of equity	Deemed equity contribution by Holding Company	Debtore redemption reserves	Total
Balance as at 1 April 2018	1,43,923.19	100.00	4,186.83	2,439.77	14,342.57	-	-	851.17	-	1,65,843.53
Profit for the year	-	-	-	-	40,019.40	-	-	-	-	40,019.40
Other comprehensive income (net of tax)	-	-	-	-	(28.99)	-	-	-	-	(28.99)
Transfer from retained earnings	-	-	7,998.08	-	(8,414.62)	-	-	-	416.54	-
Issue of equity shares	2,53,561.16	-	-	-	-	-	-	-	-	2,53,561.16
Adjustment of compulsory convertible preference shares (refer note 24)	26,950.00	-	-	-	-	-	-	-	-	(26,950.00)
Share based payment to employees	-	-	-	3,453.69	-	-	-	-	-	3,453.69
Transfer to retained earnings	-	-	-	(12.76)	12.76	-	-	-	-	-
Equity component for financial guarantee	-	-	-	-	-	-	-	374.54	-	374.54
Dividends (including dividend distribution tax) during the year (Rs. 18.85 per share)	-	-	-	-	(5,579.27)	-	-	-	-	(5,579.27)
Balance as at 31 March 2019	3,70,534.35	100.00	12,184.91	5,880.70	40,351.85	-	-	1,225.71	416.54	4,30,694.06
Profit for the year	-	-	-	-	5,425.46	-	-	-	-	5,425.46
Other comprehensive income (net of tax)	-	-	-	-	728.26	-	-	-	-	728.26
Transfer from retained earnings	-	-	1,085.10	-	(1,085.10)	-	-	-	-	-
Transfer from debtore redemption reserve during the year	-	-	-	-	416.54	-	-	-	(416.54)	-
Transfer to change in value of loan assets	-	-	-	-	(792.47)	792.47	-	-	-	-
Share based payment to employees	-	-	-	1,504.20	-	-	-	-	-	1,504.20
Transfer to other component of equity	-	-	-	(610.35)	-	-	610.35	-	-	-
Equity component for financial guarantee	-	-	-	-	-	-	-	141.69	-	141.69
Transfer to retained earnings	-	-	-	(192.19)	192.19	-	-	-	-	-
Dividends (including dividend distribution tax) during the year (Rs. 28.25 per share)	-	-	-	-	(20,838.72)	-	-	-	-	(20,838.72)
Balance as at 31 March 2020	3,70,534.35	100.00	13,270.01	6,582.36	24,398.01	792.47	610.35	1,367.40	-	4,17,654.95

The accompanying notes form an integral part of these standalone financial statements.

This is the statement of change in equity referred to in our report of even date.

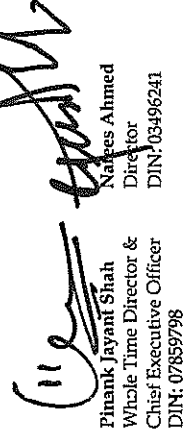
For Walker Chandiook & Co LLP
Chartered Accountants
Firm's registration no. : 001076N/NS000015


Amit Kumar
Partner
Membership No.: 095256

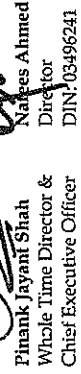


Place: Noida
Date: 25 June 2020

For and on behalf of the board of directors

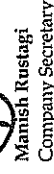

Pinank Jayant Shah
Whole Time Director &
Chief Executive Officer
DIN: 07859798

Place: Mumbai
Date: 25 June 2020


Navees Ahmed
Director
DIN: 03496241

Place: Gurugram
Date: 25 June 2020


Rajeev Nchan Agrawal
Chief Financial Officer


Mamish Rustagi
Company Secretary



INDIABULLS CONSUMER FINANCE LIMITED

(Formerly known as IVL Finance Limited)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

1. Company overview

Indiabulls Consumer Finance Limited (formerly known as IVL Finance Limited) ('the Company') is a public limited Company incorporated under the provisions of Companies Act and is engaged in the business of financing and investing related activities. The Company is a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') and is registered as a Non-Banking Financial Company with the Reserve Bank of India ('RBI') under section 45-IA of the Reserve bank of India Act, 1934. The Company is domiciled in India and its registered office is situated at M-62 a 63, First Floor, Connaught Place, New Delhi – 110001.

In accordance with the provisions of Section 4, 13 and 14 and other applicable provisions of the Companies Act 2013, the members of the Company at their Extraordinary General Meeting held on 17 September 2018, accorded their approval to change the name of the Company. The Company has since received a fresh certificate of incorporation consequent upon change of name from the Registrar of Companies, National Capital Territory of Delhi & Haryana dated 18 September 2018 in respect of the said change. Accordingly, the name of the Company was changed from IVL Finance Limited to Indiabulls Consumer Finance Limited ('ICFL' or 'the Company')

2. Basis of preparation

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These financial statements ('the Financial Statements') have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for all the periods presented in these financial statements.

The financial statements for the year ended 31 March 2020 were authorized and approved for issue by the Board of Directors on 25 June 2020.

(ii) Historical cost convention

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

3. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised as below. These policies are applied consistently for all the periods presented in the financial statements.

a) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit and loss.

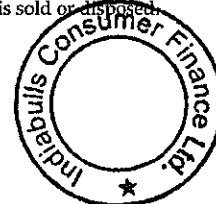
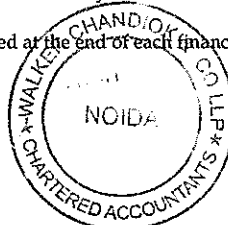
Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the straight line method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013.

Asset class	Useful life
Computer equipment	3 years
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles	8 years
Servers and networks	6 years
Leasehold improvements	Lower of useful life of the asset or lease term

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.



INDIABULLS CONSUMER FINANCE LIMITED

(Formerly known as IVL Finance Limited)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss, when the asset is derecognised.

b) Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (amortisation method, useful lives and residual value)

Intangible assets are amortised over a period of 4 years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

c) Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost. Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. These are recognised as assets when the Company can demonstrate following recognition requirements:

- The development costs can be measured reliably
- The project is technically and commercially feasible
- The Company intends to and has sufficient resources to complete the project
- The Company has the ability to use or sell such intangible asset
- The asset will generate probable future economic benefits.

Amortisation of the asset begins when development is complete and the asset is available for use.

d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

i. Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR on financial asset after netting off the fees received and cost incurred approximates the effective interest rate of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

ii. Net gain on fair value changes

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

iii. Dividend income

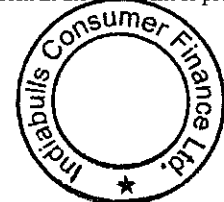
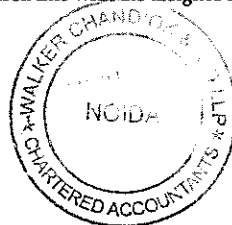
Dividend income is recognised when the Company's right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists.

iv. Fees and commission income

Revenue from fee and commission is measured at fair value of the consideration received or receivable. Revenue is recognised as and when the Company satisfies the associated performance obligation in accordance with the identified contract with the customers and when there is no uncertainty in the ultimate realisation/collection

v. Income from assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS evaluated and adjusted for ECL and expected prepayment.



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e) Borrowing costs

Borrowing costs that are directly attributable to the acquisition and/or construction of a qualifying asset, till the time such qualifying assets become ready for its intended use sale, are capitalised. Borrowing costs consists of interest and other cost that the Company incurred in connection with the borrowing of funds. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred basis the effective interest rate method.

f) Taxation

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognised in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

g) Employee benefits

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Other long-term employee benefits

The Company also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to availed after one year from the balance sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

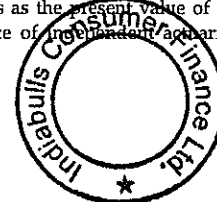
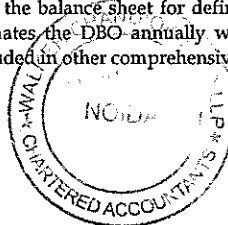
Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

The Company has a defined contribution plans namely provident fund, pension fund and employees state insurance scheme. The contribution made by the Company in respect of these plans are charged to the Statement of Profit and Loss.

Defined benefit plans

The Company has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.



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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

h) Share based payments

Share based compensation benefits are provided to employees via Indiabulls Ventures Limited ('Holding Company') Employee Stock Option Plans (ESOPs). The employee benefits expense is measured using the fair value of the employee stock options and is recognised over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees of the Company will be allotted Holding Company's equity shares.

i) Impairment of non-financial assets

At each reporting date, the Company assesses 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. Recoverable amount is higher of an asset's net selling price and its value in use. 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 reporting 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.

j) Impairment of financial assets

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 (1-30 days) includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 (31-60 days) includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) - LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) - EAD is based on the amounts the Company expects to be owed at the time of default. For a revolving commitment, the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

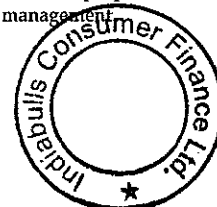
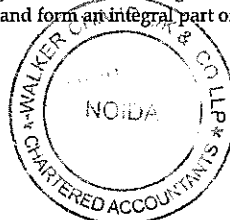
When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term highly liquid investments (certificate of deposits) that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. For cash flow statement purposes, cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.



INDIABULLS CONSUMER FINANCE LIMITED

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

l) Equity investment in associate/subsidiaries

Investments representing equity interest in associate or subsidiaries is measured at cost in accordance with Ind AS 27 'Separate Financial Statements'.

m) Provisions, contingent assets and contingent liabilities

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 at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- 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 cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

n) Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

i. **Financial assets carried at amortised cost** – a financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

ii. **Financial assets carried at fair value through other comprehensive income (FVOCI):**

A financial asset is measured at FVOCI if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and selling financial assets, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

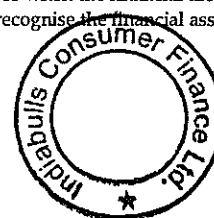
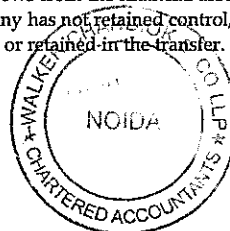
FVOCI instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and impairment gains or losses are recognised in the statement of profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to the statement of profit or loss.

iii. **Investments in equity instruments** – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iv. **Investments in mutual funds** – Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.



INDIABULLS CONSUMER FINANCE LIMITED

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Financial guarantee

Financial guarantee contracts are recognised as financial liability at the time guarantee is issued. The liability is initially measured at fair value and subsequently measured at higher of:

- The amount of loss allowance (calculated as described in policy for impairment of financial assets)
- The amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with principles of Ind AS.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative contracts

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit and loss using mark to market information.

The Company also enters into certain derivative contracts (futures) to hedge risks which are designated as hedges of the fair value of recognised assets i.e. investment in equity instrument (fair value hedge). For hedge assessment, the hedging relationship must meet conditions with respect to documentation, strategy and economic relationship of the hedged transaction. In case of fair value, the change in fair value of derivative is recognised in the statement of profit and loss along with change in fair value of underlying asset.

o) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Segment reporting

The Company identifies segment basis the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly reviewed by the CODM ('chief operating decision maker') in deciding how to allocate resources and in assessing performance.

q) Foreign currency

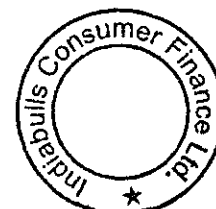
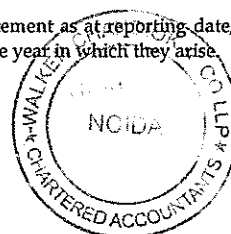
Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.



INDIABULLS CONSUMER FINANCE LIMITED

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

r) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Business model assessment - The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Classification of leases –

The Company enters into leasing arrangements for various premises. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Leases

Till previous year, assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straightline basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease (the transition approach has been explained and disclosed in Note 39). A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Classification of leases

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement

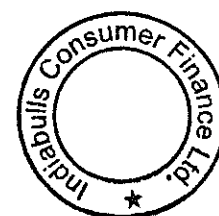
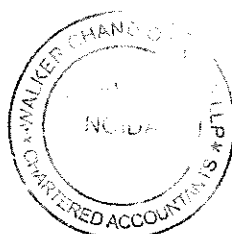
At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.



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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

Expected credit loss ('ECL') - The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Company makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Provisions - At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

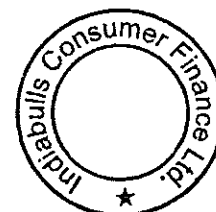
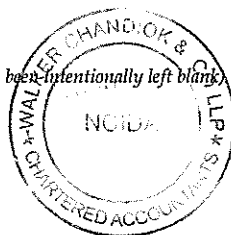
Significant estimates

Useful lives of depreciable/amortisable assets - Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) - Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements - Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

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INDIABULLS CONSUMER FINANCE LIMITED

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

	As at 31 March 2020	As at 31 March 2019
Note - 4		
Cash and cash equivalents		
Cash on hand	6.19	0.92
Balances with banks		
- Current accounts	1,81,681.12	85,029.94
- Fixed deposit with original maturity of three months or less (refer note below)	14,999.62	8,047.69
	<u>1,96,686.93</u>	<u>93,078.55</u>

	As at 31 March 2020	As at 31 March 2019
Note - 5		
Bank balance other than cash and cash equivalents		
Fixed deposits with original maturity of more than 3 months (refer note below)	33,798.54	14,538.84
	<u>33,798.54</u>	<u>14,538.84</u>

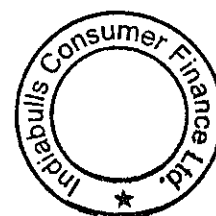
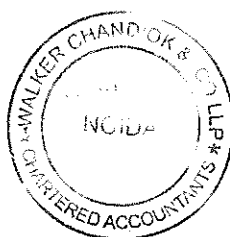
Note:

The amount under lien as security against overdraft facility availed, assets securitised, bank guarantee and margin money are as follows (included above in note 4 and 5):

Particulars	As at 31 March 2020	As at 31 March 2019
Deposits pledged with banks for overdraft facilities availed by the Company	10,412.90	7,744.43
Deposits pledged for securitisations	23,360.17	6,212.44
Deposits pledged with banks against bank guarantees	25.26	25.30
Deposits pledged with National Stock Exchange of India as margin money	-	1,113.34
	<u>33,798.33</u>	<u>15,095.51</u>

	As at 31 March 2020		As at 31 March 2019	
	At amortised cost	At fair value through other comprehensive income*	At amortised cost	At fair value through other comprehensive income*
Note - 6				
Loans				
Secured	1,16,190.52	3,133.48	4,96,083.42	-
Unsecured	3,05,676.95	45,923.70	5,67,217.22	-
Total - Gross	<u>4,21,867.47</u>	<u>49,057.18</u>	<u>10,63,300.64</u>	<u>-</u>
Less: impairment loss allowance	(52,686.56)	(283.55)	(12,487.33)	-
Total - Net	<u>3,69,180.91</u>	<u>48,773.63</u>	<u>10,50,813.31</u>	<u>-</u>
Secured by tangible assets	1,15,028.64	3,133.48	4,94,306.69	-
Secured by other assets	1,161.88	-	1,776.73	-
Unsecured	3,05,676.95	45,923.70	5,67,217.22	-
Total - gross	<u>4,21,867.47</u>	<u>49,057.18</u>	<u>10,63,300.64</u>	<u>-</u>
Less: impairment loss allowance	(52,686.56)	(283.55)	(12,487.33)	-
Total - net	<u>3,69,180.91</u>	<u>48,773.63</u>	<u>10,50,813.31</u>	<u>-</u>
Loans in India				
(i) Public sector	-	-	-	-
(ii) Others	4,21,867.47	49,057.18	10,63,300.64	-
Total - gross	<u>4,21,867.47</u>	<u>49,057.18</u>	<u>10,63,300.64</u>	<u>-</u>
Less: impairment loss allowance	(52,686.56)	(283.55)	(12,487.33)	-
Total - net	<u>3,69,180.91</u>	<u>48,773.63</u>	<u>10,50,813.31</u>	<u>-</u>

*During the year ended 31 March 2020, the Company has entered into series of bilateral assignment transactions against outstanding loan portfolio. In the light of this, the management has concluded that the business model for loan against property, business installments loan and personal loan has changed from "hold to collect" to "hold to collect and sell". Accordingly, the company had reclassified its eligible portfolio from amortised category to fair value through other comprehensive income (FVOCI) category and hence recorded a fair value gain in other comprehensive income.



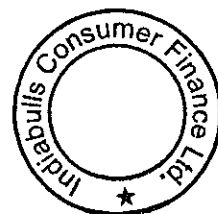
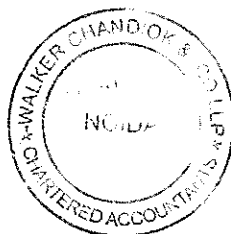
INDIABULLS CONSUMER FINANCE LIMITED

(Formerly known as IVL Finance Limited)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

	As at 31 March 2020	As at 31 March 2019
Note - 7		
Investments (at fair value through profit or loss)		
Investment in mutual funds		
- Indiabulls Income fund- Direct Plan - Growth [Number of units: 8,557,972.37 (31 March 2019: 6,246,745.81) Net Assets Value ("NAV"): Rs. 17.72 (31 March 2019: Rs. 16.35) per unit]	1,516.33	1,021.49
- Indiabulls Savings Fund- direct plan - growth [Number of units 144,865.09 (31 March 2019: 487,557.47) NAV: Rs. 1,116.05 (31 March 2019: Rs 1,043.53) per unit]	1,616.77	5,087.83
- Indiabulls Short Term Fund - direct plan - growth [Number of units 58,519.58 (31 March 2019: nil) NAV: Rs. 1,738.98 (31 March 2019: Rs nil) per unit]	1,017.64	-
- Indiabulls Arbitrage Fund - direct plan - growth [Number of units 1,391,865.94 (31 March 2019: nil) NAV: Rs. 14.39 (31 March 2019: Rs nil) per unit]	200.31	-
- Indiabulls Banking & PSU Debt Fund - direct plan - growth [Number of units 190,417.92 (31 March 2019: nil) NAV: Rs. 1,078.36 (31 March 2019: Rs nil) per unit]	2,053.39	-
- Indiabulls Dynamic Bond Fund - direct plan - growth [Number of units 45,037.17 (31 March 2019: nil) NAV: Rs. 1,124.53 (31 March 2019: Rs nil) per unit]	506.46	-
- Indiabulls Savings Income Fund - direct plan - growth (Erstwhile Monthly Income Plan until 06.03.18) [Number of units 6,689,052.7 (31 March 2019: nil) NAV: Rs. 14.33 (31 March 2019: Rs nil) per unit]	958.58	-
- Indiabulls Ultra Short term fund- direct plan- growth [Number of units: nil (31 March 2019: 544,893.74) NAV Rs. nil (31 March 2019: Rs 1,866.21) per unit]	-	10,168.86
- Invesco India Liquid Fund- direct plan growth [Number of units: nil (31 March 2019: 194,585.50) NAV Rs. Nil (31 March 2019: Rs 2,572.44) per unit]	-	5,005.60
- UTI Liquid Cash Plan - direct growth plan [Number of units: nil (31 March 2019: 81,778.44) NAV Rs. nil (31 March 2019: Rs 3,060.74) per unit]	-	2,503.02
- JM Large Cap Fund - dividend option [Number of units nil (31 March 2019: 116,117,193.26) NAV Rs. nil (31 March 2019: Rs 26.91) per unit]	-	31,247.94
- Axis Liquid Fund - direct growth [Number of units: nil (31 March 2019: 76.54) NAV Rs nil (31 March 2019: Rs 2,073.52) per unit]	-	1.59
- Aditya Birla Sun life liquid fund- growth- direct plan [Number of units: nil (31 March 2019: 528.17) NAV Rs. Nil (31 March 2019: Rs 300.44) per unit]	-	1.59
- HDFC Liquid Fund - direct plan- growth [Number of units: nil (31 March 2019: 43.14) NAV Rs. nil (31 March 2019: Rs 3,678.29) per unit]	-	1.59
- ICICI Prudential Liquid Fund direct plan growth [Number of units: nil (31 March 2019: 547.05) NAV Rs. nil (31 March 2019: Rs 276.42) per unit]	-	1.59
- Kotak Liquid direct plan growth [Number of units: nil (31 March 2019: 41.92) NAV Rs. nil (31 March 2019: Rs 3,784.33) per unit]	-	1.59
- Reliance Liquid Fund - direct plan growth plan [Number of units: nil (31 March 2019: 43.14) NAV Rs. nil (31 March 2019: Rs 3,678.29) per unit]	-	1.59
- SBI Liquid fund direct growth [Number of units: nil (31 March 2019: 54.19) NAV Rs. nil (31 March 2019: Rs 2,928.57) per unit]	-	1.59



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(All amounts are in Indian Rupees in lakh unless stated otherwise)

Investment in debt securities

2,000 (31 March 2019: 25) non convertible debentures of Housing Development Finance Corporation Limited	20,734.50	2,617.51
1,450 (31 March 2019: nil) non convertible debentures of LIC Housing Finance Limited	15,021.21	-
1,000 (31 March 2019: nil) non convertible debentures of Power Finance Corporation Limited	10,185.02	-
5,000 (31 March 2019: nil) certificate of deposit of Indusind Bank Limited	4,658.16	-

(At Cost)*

Investment in subsidiaries companies

In equity instruments

TranServ Limited (formerly known as "TranServ Private Limited")

[Number of equity share 2,721,257 (31 March 2019: 2,137,981) face value Rs. 10 each] (refer note 11)	4,972.91	-
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Indiabulls Distribution Services Limited

[Number of equity share 308,220 (31 March 2019: nil) face value Rs. 10 each]	45,000.12	-
--	-----------	---

Indiabulls Investment Advisors Limited

[Number of equity share 355,500,000 (31 March 2019: nil) face value Rs. 10 each]	35,550.00	-
--	-----------	---

In debt instruments

344,828 (31 March 2019: nil) compulsorily convertible debenture ("CCDs") of Indiabulls Distribution Services Limited	50,000.06	-
--	-----------	---

<u>1,93,991.46</u>	<u>57,663.38</u>
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Investments outside India

Investments in India	1,93,991.46	57,663.38
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Total	<u>1,93,991.46</u>	<u>57,663.38</u>
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* Equity investments in subsidiaries are measured at cost as per the provisions of Ind AS 27 on 'Separate Financial Statements'

(i) During the year ended 31 March 2020, the Company has further acquired 9% equity stake of "TranServ Limited" (formerly known as "TranServ Private Limited"). Transerv Limited is controlled by the Company in accordance with the requirements of Ind AS 110, Consolidated Financial Statements. Further, subsequent to 31 March 2020, the Company has further acquired the remaining 58% stake in TranServ Limited making it wholly owned subsidiary of the Company.

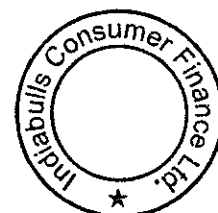
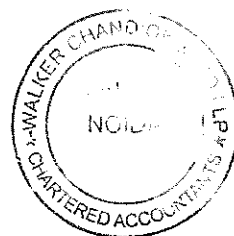
(ii) During the year ended 31 March 2020, the Company has invested 50,000.06 lakh in Compulsorily Convertible Debentures ("CCDs") of its subsidiary Indiabulls Distribution Services Limited ("IDSL") (erstwhile fellow subsidiary of the Company), bearing coupon rate of 10% per annum. The CCDs are convertible into equity shares of IDSL at the option of the Company on or before completion of 24 months from the date of subscription. Further, the Company has invested Rs. 45,000.12 lakh in the equity shares of IDSL and acquired 86% equity stake of IDSL.

(iii) During the year ended 31 March 2020, the Company has acquired 100% holding in equity shares of Indiabulls Investment Advisors Limited ("IIAL"), (erstwhile fellow subsidiary of the Company) from Indiabulls Ventures Limited for consideration of Rs. 550.00 lakh and accordingly IIAL become a wholly owned subsidiary of the Company. Subsequent to this, the Company has further invested Rs. 35,000.00 lakh in the equity share capital of IIAL.

Note - 8

Other financial assets

	As at 31 March 2020	As at 31 March 2019
Interest spread on assigned assets	44,517.66	2,980.68
Less: impairment loss allowance	(1,915.71)	-
Net interest spread on assigned assets	42,601.95	2,980.68
Security deposits	1,105.77	886.43
Deposit for mark to market margin account	-	581.76
Advance for purchase of shares	7,606.48	-
Advance to employees	659.13	160.49
Other recoverables	226.54	179.96
	<u>52,199.87</u>	<u>4,789.32</u>



INDIABULLS CONSUMER FINANCE LIMITED

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

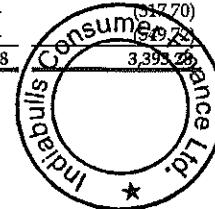
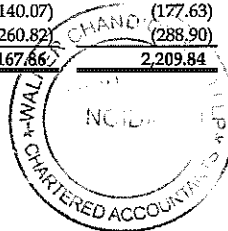
(All amounts are in Indian Rupees in lakh unless stated otherwise)

	As at 31 March 2020	As at 31 March 2019
Note - 9		
Current tax assets (net)		
Advance income-tax (including tax deducted at source)	9,093.74	713.51
[Net of provision for taxation]	<u>9,093.74</u>	<u>713.51</u>
	As at 31 March 2020	As at 31 March 2019
Note - 10		
Deferred tax assets (net)		
Deferred tax assets		
- Impairment loss allowance	13,608.59	2,915.90
- Disallowance under Section 40A(7) of the Income-tax Act, 1961	389.28	271.88
- Disallowance under Section 43B of the Income-tax Act, 1961	225.17	101.15
- Lease equalisation reserve	-	109.90
- Financial assets measured at amortised cost	531.55	-
- Financial liabilities measured at amortised cost	322.71	-
- Share based payments	1,656.65	2,059.42
Total (A)	<u>16,733.95</u>	<u>5,458.25</u>
Deferred tax liabilities		
- Derecognition of financial instruments measured under amortised cost category	11,224.15	1,034.35
- Financial assets measured at amortised cost	-	163.20
- Financial liabilities measured at amortised cost	-	317.70
- Financial assets measured at fair value through other comprehensive income	266.53	-
- Depreciation and amortisation	444.19	549.72
Total (B)	<u>11,934.87</u>	<u>2,064.97</u>
Deferred tax assets(net) (A-B)	<u>4,799.08</u>	<u>3,393.28</u>

Movement in deferred tax assets

Particulars	As at 31 March 2019	Recognised in profit and loss	Recognised in other comprehensive income	As at 31 March 2020
Deferred tax assets				
- Impairment loss allowance	2,915.90	10,692.69	-	13,608.59
- Disallowance under Section 40A(7) of the Income-tax Act, 1961	271.88	95.80	21.60	389.28
- Disallowance under Section 43B of the Income-tax Act, 1961	101.15	124.02	-	225.17
- Lease equalisation reserve	109.90	(109.90)	-	-
- Share based payments	2,059.42	(402.77)	-	1,656.65
Deferred tax liabilities				
- Derecognition of financial instruments measured under amortised cost category	(1,034.35)	(10,189.80)	-	(11,224.15)
- Financial assets measured at amortised cost	(163.20)	694.75	-	531.55
- Financial liabilities measured at amortised cost	(317.70)	640.41	-	322.71
- Financial assets measured at fair value through other comprehensive income	-	-	(266.53)	(266.53)
- Depreciation and amortisation	(549.72)	105.53	-	(444.19)
Deferred tax assets(net) (A-B)	<u>3,393.28</u>	<u>1,650.73</u>	<u>(244.93)</u>	<u>4,799.08</u>

Particulars	As at 31 March 2018	Recognised in profit and loss	Recognised in other comprehensive income	As at 31 March 2019
Deferred tax assets				
- Impairment loss allowance	148.55	2,767.35	-	2,915.90
- Disallowance under Section 40A(7) of the Income-tax Act, 1961	55.00	201.30	15.58	271.88
- Disallowance under Section 43B of the Income-tax Act, 1961	21.50	79.65	-	101.15
- Lease equalisation reserve	39.97	69.93	-	109.90
- Share based payments	844.35	1,215.07	-	2,059.42
- Financial assets measured at amortised cost	459.38	(622.58)	-	(163.20)
Deferred tax liabilities				
- Derecognition of financial instruments measured under amortised cost category	-	(1,034.35)	-	(1,034.35)
- Financial liabilities measured at amortised cost	(140.07)	(177.63)	-	(317.70)
- Depreciation and amortisation	(260.82)	(288.90)	-	(549.72)
Deferred tax assets(net)	<u>1,167.66</u>	<u>2,209.84</u>	<u>15.58</u>	<u>3,393.28</u>



INDIABULLS CONSUMER FINANCE LIMITED

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

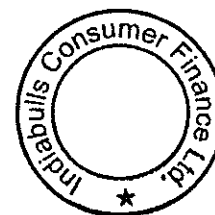
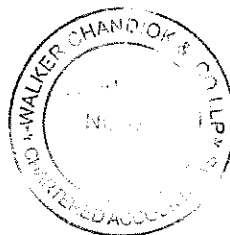
	<u>As at</u> <u>31 March 2020</u>	<u>As at</u> <u>31 March 2019</u>
Note - 11		
Investment accounted for using equity method		
Investment in associate (at cost)		
Nil (31 March 2019: 2,137,981 equity shares of Rs. 10 each, of TranServ Limited [formerly known as 'TranServ Private Limited'], an associate)	-	3,570.43
	<u>-</u>	<u>3,570.43</u>

Notes

a) Equity investments in associate are measured at cost as per provision of IndAS 27 on 'Separate Financial Statements'.

b) The Company had acquired 33% equity stake of "TranServ Limited" (formerly known as "TranServ Private Limited") (hereinafter referred to as "Investee") on 29 March 2019. The Company exercises significant influence over the investee and accordingly, the same has been accounted for as an "Associate" as per the provisions of Ind AS 28 "Investments in associates and joint venture".

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INDIABULLS CONSUMER FINANCE LIMITED
(Formerly known as IVL Finance Limited)

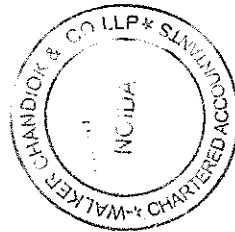
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020
(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 12

Particulars	Gross Block			Accumulated depreciation			Net Block		
	As at 1 April 2019	Additions	Disposals/ adjustment	As at 31 March 2020	As at 1 April 2019	Additions	Deletion	As at 31 March 2020	As at 31 March 2019
a) Property, plant and equipments									
Freehold land	12.98	-	-	12.98	-	-	-	12.98	12.98
Computers	2,595.83	624.52	-	3,220.35	594.21	837.72	-	1,788.42	2,001.62
Servers and networks	-	287.22	-	287.22	-	21.44	-	265.78	-
Office equipment	561.64	629.81	-	1,191.45	87.28	199.66	-	904.51	474.36
Furniture	543.14	2,951.78	-	3,494.92	45.83	209.64	-	3,239.45	497.31
Vehicles	128.46	53.97	57.54	124.89	21.41	17.18	10.90	97.20	107.05
Total	3,842.05	4,547.30	57.54	8,331.81	748.73	1,285.64	10.90	6,308.34	3,093.32
b). Right-of-use assets									
	-	26,141.63	-	26,141.63	-	4,046.59	-	22,095.04	-
c) Intangible asset under development									
	246.07	785.33	488.84	542.56	-	-	-	542.56	246.07
d) Other intangible assets									
Software	6,887.88	2,164.37	-	9,052.25	1,702.93	2,469.76	-	4,172.69	4,879.56
Total	6,887.88	2,164.37	-	9,052.25	1,702.93	2,469.76	-	4,172.69	5,184.95
Particulars	As at 1 April 2018	Additions	Disposals/ adjustment	As at 31 March 2019	As at 1 April 2018	Additions	Deletion	As at 31 March 2019	As at 31 March 2018
a). Property, plant and equipments									
Freehold land	-	12.98	-	12.98	-	-	-	12.98	-
Computers	1,137.71	1,458.12	-	2,595.83	120.56	473.65	-	594.21	1,017.15
Office Equipment	223.23	338.41	-	561.64	14.12	73.16	-	87.28	209.11
Furniture	242.65	300.49	-	543.14	6.68	39.15	-	45.83	235.97
Vehicles ^(b)	94.44	34.02	-	128.46	5.63	15.78	-	21.41	88.81
Total	1,698.03	2,144.02	-	3,842.05	146.99	601.74	-	748.73	1,551.04
b). Right-of-use assets									
	-	-	-	-	-	-	-	-	-
c). Intangible Asset under Development									
	58.04	1,249.96	1,061.93	246.07	-	-	-	246.07	58.04
d). Other intangible assets									
Software	3,488.52	3,399.36	-	6,887.88	413.83	1,289.09	-	1,702.92	3,074.69
Total	3,488.52	3,399.36	-	6,887.88	413.83	1,289.09	-	1,702.92	3,074.69

Notes:

- For the year ended 31 March 2019, vehicles stated above comprises of vehicles pledged as security by the Company.
- Refer note 41 for disclosures of capital commitments for the acquisition of property, plant and equipment.



INDIABULLS CONSUMER FINANCE LIMITED

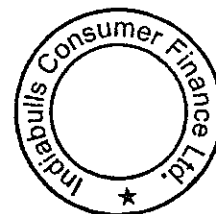
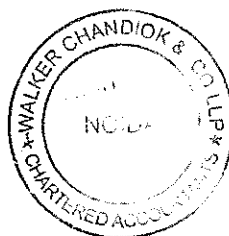
(Formerly known as IVL Finance Limited)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

	As at 31 March 2020	As at 31 March 2019
Note - 13		
Other non-financial assets		
Capital advances	1,275.55	1,807.61
Advances to suppliers	3,209.88	1,717.76
Prepaid expenses	1,431.73	3,132.58
Advance against assigned assets	2,303.08	-
Balance with government authorities	3,811.12	2,030.97
	<u>12,031.36</u>	<u>8,688.92</u>

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

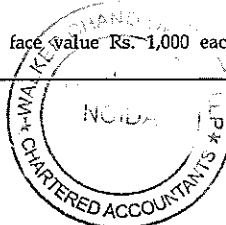
(All amounts are in Indian Rupees in lakh unless stated otherwise)

	As at 31 March 2020		As at 31 March 2019	
	Notional amount	Liabilities	Notional amounts	Liabilities
Note - 14				
Derivative financial instruments				
Part I				
Equity linked derivatives	-	-	-	-
Index linked derivatives	-	-	12,282.23	209.42
Total derivative financial instruments	-	-	12,282.23	209.42
Part II				
Included are derivatives held for hedging and risk management purpose as follows:				
i. Fair value heading				
- Equity linked derivatives	-	-	-	-
ii. Undesignated derivatives				
- Index linked derivatives	-	-	12,282.23	209.42
Total Derivative financial instruments	-	-	12,282.23	209.42
			As at	As at
			31 March 2020	31 March 2019
Note - 15				
Trade payables				
Total outstanding dues of micro enterprises and small enterprises (refer note 49)			-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises			6,323.52	5,804.12
			6,323.52	5,804.12
			As at	As at
			31 March 2020	31 March 2019
Note - 16				
Other payables				
Total outstanding dues of micro enterprises and small enterprises (refer note 49)			-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises			3,009.50	1,819.40
			3,009.50	1,819.40
			As at	As at
			31 March 2020	31 March 2019
Note - 17				
Debt securities (at amortised cost)				
Non-convertible debentures - secured ⁽ⁱ⁾			79,677.24	78,486.15
Commercial papers - unsecured ⁽ⁱⁱ⁾			-	95,000.00
Total			79,677.24	1,73,486.15
Debt securities in India			79,677.24	1,73,486.15
Debt securities outside India			-	-
Total			79,677.24	1,73,486.15

Note:

i) Secured redeemable non convertible debentures (payable at par unless otherwise stated) include:

Particulars	As at 31 March 2020	As at 31 March 2019
10.6% redeemable non-convertible debentures of face value Rs. 10 lakh each redeemed on 14 November 2019.	-	16,911.86
10.75% redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 8 May 2021 in one instalment.	37,404.19	37,092.77
10.75% (Effective yield) cumulative redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 8 May 2021 in one instalment.	2,726.86	2,438.96
10.40% redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 8 May 2022 in one instalment.	3,211.30	3,192.94
10.90% redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 8 May 2022 in one instalment.	7,464.17	7,421.52
10.90% (Effective yield) cumulative redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 8 May 2022 in one instalment.	2,605.43	2,332.58
10.50% redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 8 March 2024 in one instalment.	4,634.78	4,617.97
11.00% redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 8 March 2024 in one instalment.	2,570.48	2,561.16
11.00% (Effective yield) cumulative redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 8 March 2024 in one instalment.	2,138.53	1,916.39



INDIABULLS CONSUMER FINANCE LIMITED

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

10.00% (Effective yield) cumulative redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 31 July 2020 in one instalment.	1,312.67	-
10.27% redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 27 June 2021 in one instalment.	691.95	-
10.25% (Effective yield) cumulative redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 27 June 2021 in one instalment.	362.12	-
9.95% redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 27 June 2022 in one instalment.	1,182.59	-
10.41% redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 27 June 2022 in one instalment.	1,167.16	-
10.40% (Effective yield) cumulative redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 27 June 2022 in one instalment.	442.44	-
10.13% redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 27 June 2024 in one instalment.	1,485.96	-
10.61% redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 27 June 2024 in one instalment.	1,215.97	-
10.60% (Effective yield) cumulative redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 27 June 2024 in one instalment.	451.59	-
10.00% (Effective yield) cumulative redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 10 October 2020 in one instalment.	6,187.35	-
10.12% redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 06 September 2021 in one instalment.	119.95	-
10.10% (Effective yield) cumulative redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 06 September 2021 in one instalment.	50.26	-
9.81% redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 06 September 2022 in one instalment.	293.32	-
10.27% redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 06 September 2022 in one instalment.	221.88	-
10.25% (Effective yield) cumulative redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 06 September 2022 in one instalment.	89.36	-
10.04% redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 06 September 2024 in one instalment.	373.88	-
10.52% redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 06 September 2024 in one instalment.	1,164.81	-
10.50% (Effective yield) cumulative redeemable non-convertible debentures of face value Rs. 1,000 each redeemable on 06 September 2024 in one instalment.	108.24	-

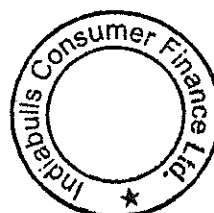
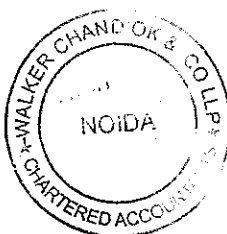
Non-convertible debentures is secured by way of first ranking pari-passu charge on the current assets (including investments) of the Company, both present and future; and on present and future loan assets of the Company, including all monies receivable for the principal amount and interest thereon.

ii) Unsecured commercial papers:

Particulars	As at 31 March 2020	As at 31 March 2019
This amount is repaid in one instalment in June 2019.	-	5,000.00
This amount is repaid in one instalment in May 2019.	-	45,000.00
This amount is repaid in one instalment in May 2019.	-	12,500.00
This amount is repaid in one instalment in June 2019.	-	20,000.00
This amount is repaid in one instalment in May 2019.	-	12,500.00

Commercial paper carried an interest in the range of 8.75 % per annum to 9.50% per annum

	As at 31 March 2020	As at 31 March 2019
Note -18		
Borrowings (other than debt securities)(at amortised cost)		
Term loans		
- From banks - secured ⁽ⁱ⁾	3,00,956.56	4,99,699.88
Loans from related parties		
- Holding Company - unsecured ⁽ⁱⁱ⁾	-	27,520.00
Loans repayable on demand from banks- secured	2,507.72	14,729.66
Vehicle loans from bank - secured ⁽ⁱⁱⁱ⁾	-	47.32
Liabilities against securitised assets	92,156.05	40,828.55
Total (A)	3,95,620.33	5,82,825.41
Borrowings in India	3,95,620.33	5,82,825.41
Borrowings outside India	-	-
Total	3,95,620.33	5,82,825.41



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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

i) Term loans from banks includes:

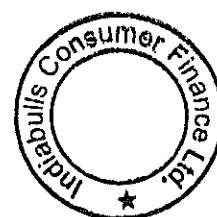
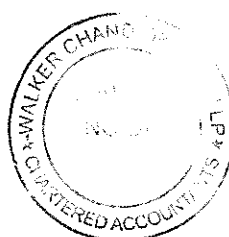
Particulars	As at 31 March 2020	As at 31 March 2019
This loan is repayable in 13 quarterly equated instalments commencing from December 2017 with last instalment falling due in year 2019-20.	-	2,683.14
This loan is repayable in 16 quarterly equated instalments with moratorium period of 12 months from the date of disbursement. Loan repayment commencing from December 2018 with last instalment falling due in year 2022-23.	6,246.71	8,743.67
This loan is repayable in 13 quarterly equated instalments commencing from December 2017 with last instalment falling due in year 2019-20.	-	9,404.88
This loan is repayable in one instalment in April 2019.	-	14,999.58
This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	29,896.39	29,844.49
This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	29,891.55	29,837.22
This loan is repayable in 2 equated annual instalments with moratorium period of 36 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	49,988.19	49,982.12
This loan is repayable in one instalment in September 2019.	-	99,918.47
This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from June 2022 with last instalment falling due in year 2023-24.	14,966.90	14,954.67
This loan is repayable in 13 equated quarterly instalments with first instalment due at the end of 3 months from the date of disbursement. Loan repayment commencing from September 2018 with last instalment falling due in year 2021-22.	4,607.36	7,671.26
This loan is repayable in 12 equated quarterly instalments which shall commence from the quarter end during which the limit is disbursed. Loan repayment commencing from December 2018 with last instalment falling due in year 2021-22.	9,889.95	16,378.12
This loan is repayable in one instalment in September 2019.	-	30,000.00
This loan is repayable in one instalment in September 2020.	29,421.83	-
This loan is repayable in 18 equated monthly instalments after moratorium of 7 months. Loan repayment commencing from May 2019 with last instalment falling due in year 2020-21.	38,784.92	99,184.41
This loan is repayable in five years with instalments of Rs. 7,500.00 lakh each to be paid for the first six instalments and instalments of Rs. 1,000.00 lakh each to be paid for the last five instalments. Loan repayment commencing from January 2019 with last instalment falling due in year 2023-24.	27,443.98	42,379.84
This loan is repayable in five years with instalments of Rs. 4,500.00 lakh each to be paid for the first six instalments and instalments of Rs. 600.00 lakh each to be paid for the last five instalments. Loan repayment commencing from July 2019 with last instalment falling due in year 2024-25.	20,948.18	-
This loan is repayable in five years with instalments of Rs. 5,460.00 lakh each to be paid for the first six instalments and instalments of Rs. 728.00 lakh each to be paid for the last five instalments. Loan repayment commencing from July 2019 with last instalment falling due in year 2024-25.	25,417.83	36,282.44
This working capital demand loan is repayable in one instalment in June 2020.	6,000.00	-
This loan is repayable in 3 equated instalments of Rs. 2,500 lakh each at the end of 3rd, 4th and 5th year after a moratorium period of 24 months.	7,452.77	7,435.57
Total	3,00,956.56	4,99,699.88

a. Secured by way of first pari-passu charge over loans and advances, receivables and current assets (including cash and cash equivalents, investments in debt mutual funds and liquid mutual funds) and future book debts.

b. Interest rate on term loans varies from 8.70% to 10.75% per annum (31 March 2019 - 8.90% to 10.75% per annum).

(ii) Loan from related party carries interest rate of 14.90% per annum and shall be repaid within 5 years as per the terms of the agreement

(iii) Vehicle loans were secured against hypothecation of the vehicles purchased. Such loans were repayable in equated monthly instalments for a period upto five years. Vehicle loans carried interest rate of 7.75% per annum.



INDIABULLS CONSUMER FINANCE LIMITED

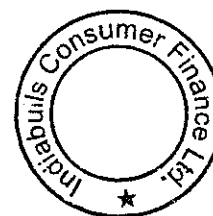
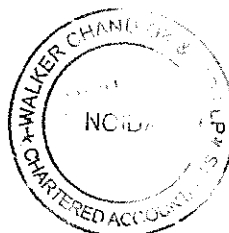
(Formerly known as IVL Finance Limited)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

	As at 31 March 2020	As at 31 March 2019
Note - 19		
Lease liability		
Lease liability (refer note 40)	23,343.26	-
	<u>23,343.26</u>	<u>-</u>
Note - 20		
Other financial liabilities		
Interest accrued on debt securities	750.57	410.00
Interest accrued on borrowings (other than debt securities)	1,379.17	795.65
Temporary overdraft bank balances as per books	10,887.27	38,932.52
Payable towards assignment transactions	2,810.92	1,089.03
	<u>15,827.93</u>	<u>41,227.20</u>
Note - 21		
Provisions		
Provision for employee benefits:		
Provision for gratuity (refer note 39)	1,546.71	776.90
Provision for compensated absences	894.65	290.63
	<u>2,441.36</u>	<u>1,067.53</u>
Note - 22		
Other non-financial liabilities		
Statutory liabilities	3,202.03	1,129.11
Advance from customers	1,162.10	1,078.18
Lease equalisation reserve	-	314.52
	<u>4,364.13</u>	<u>2,521.81</u>

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INDIABULLS CONSUMER FINANCE LIMITED

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 23

Equity share capital

	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
A. Authorised				
Equity shares of face value of Rs. 10 each	8,00,00,000	8,000.00	8,00,00,000	8,000.00
	<u>8,00,00,000</u>	<u>8,000.00</u>	<u>8,00,00,000</u>	<u>8,000.00</u>
B. Issued, subscribed and paid up				
Equity shares of face value of Rs. 10 each	6,11,88,000	6,118.80	6,11,88,000	6,118.80
	<u>6,11,88,000</u>	<u>6,118.80</u>	<u>6,11,88,000</u>	<u>6,118.80</u>

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

	For the year ended 31 March 2020		For the year ended 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Opening balance at the beginning of the year	6,11,88,000	6,118.80	2,45,51,565	2,455.16
Add: issued during the year	-	-	3,66,36,435	3,663.64
Outstanding at the end of the year	<u>6,11,88,000</u>	<u>6,118.80</u>	<u>6,11,88,000</u>	<u>6,118.80</u>

D. 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 received 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.

E. Shares held by shareholders holding more than 5% shares and holding company:

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	% of holding	No. of shares	% of holding
Indiabulls Ventures Limited and its nominees	6,11,88,000	100%	6,11,88,000	100%

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

F. The Company has not issued any bonus shares during the current year and five years immediately preceding current year.

G. There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issue and bought back during the last five years.

Note - 24

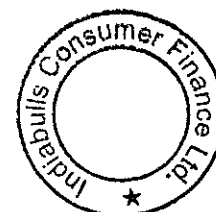
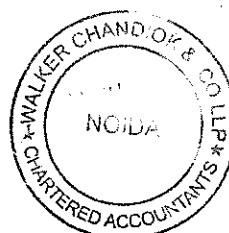
Instruments entirely equity in nature

	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
A. Authorised				
Preference Shares of face value of Rs. 10 each	55,00,000	550.00	55,00,000	550.00
	<u>55,00,000</u>	<u>550.00</u>	<u>55,00,000</u>	<u>550.00</u>
B. Issued, subscribed and paid up				
Compulsorily convertible preference shares of face value of Rs. 10 each	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

C. Reconciliation of the compulsorily convertible preference shares outstanding at the beginning and at the end of the reporting year

	For the year ended 31 March 2020		For the year ended 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	-	-	55,00,000	550.00
Add: Issued during the year	-	-	-	-
Less: Adjusted during the year*	-	-	(55,00,000)	(550.00)
Outstanding at the end of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

* During the year ended 31 March 2019, the Company has modified the terms of these convertible preference shares from being compulsorily convertible to optionally convertible on 12 March 2019. Later on these preference shares were redeemed on 15 March 2019 at the transaction value.



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(All amounts are in Indian Rupees in lakh unless stated otherwise)

D. Terms/rights attached to compulsory convertible preference shares

The Company has only one class of preference shares having a par value of Rs. 10 per share. These can be converted in equity shares at any time up to 20 years from date of issuance. These shares carry 0.001% as dividend percentage which is to be paid as and when declare and approve by Board of directors.

E. No preference shares have been bought back during the period of five years immediately preceding 31 March 2020.

F. No preference shares have been issued for consideration other than cash during the period of five years immediately preceding 31 March 2020.

	As at 31 March 2020	As at 31 March 2019
Note - 25		
Other equity		
Statutory reserves	13,270.01	12,184.91
Securities premium	3,70,534.35	3,70,534.35
Capital redemption reserve	100.00	100.00
Debenture redemption reserve	-	416.54
Share options outstanding account	6,582.36	5,880.70
Retained earnings	24,398.01	40,351.85
Change in fair value of loan assets through other comprehensive income	792.47	-
Deemed equity contribution by Holding Company	1,367.40	1,225.71
Other component of equity	610.35	-
	<u>4,17,654.95</u>	<u>4,30,694.06</u>

Nature and purpose of other reserve:**Statutory reserves**

The reserve is created as per the provision of Section 45(IC) of Reserve Bank of India Act, 1934. This is a restricted reserve and no appropriation can be made from this reserve fund except for the purpose as may be prescribed by Reserve Bank of India.

Securities premium

Securities premium represents premium received on issue of shares. The account can be utilised in accordance with the provisions of the Companies Act 2013.

Capital redemption reserve

The same had been created in accordance with provisions of the Companies Act 2013 on account of redemption of preference shares.

Debenture redemption reserve

The Companies Act 2013 requires Companies that issue debentures to create as debenture redemption reserve from annual profits until such debentures are redeemed. The Company is required to transfer a specified percentage (as provided in the Companies Act, 2013) of the outstanding redeemable debentures to debenture redemption reserve. However, pursuant to the Companies (Share Capital and Debentures) Amendment Rules, 2019 notified on 16 August 2019 by Ministry of Corporate Affairs (MCA), debenture redemption reserve is not required for debentures issued by All India Financial Institutions regulated by Reserve Bank of India and Banking Companies for both public as well as privately placed debentures.

Share options outstanding account

The reserve is used to recognise the fair value of the options issued to employees of the Company under Holding Company's ESOP's plan.

Change in fair value of loan assets through other comprehensive income

This reserve has been created against change in business model for loan against property ("LAP"), business installments loan and personal loan from "hold to collect" to "hold to collect and sale".

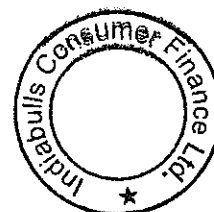
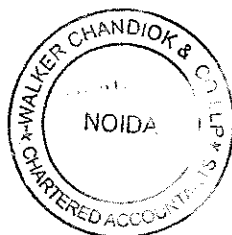
Deemed equity contribution by Holding Company

The reserve has been created against initial measurement of financial guarantee (given by Holding Company) at fair value.

Other component of equity

The reserve has been created against exercised amount of employee stock option (issued by Holding Company)

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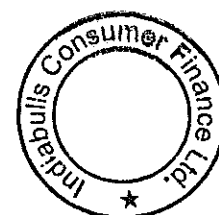
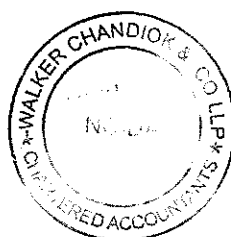
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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Note - 26		
Interest income		
On financial assets measured at amortised cost		
Interest on loans	1,64,356.25	1,44,772.20
Interest on deposits with banks	2,281.19	720.78
Other interest income	4,732.48	80.82
On financial assets classified at fair value through profit or loss		
Interest income from investments		
- Bonds	638.07	856.07
- Commercial deposits	345.70	100.80
- Compulsory convertible debenture	2,520.55	-
- Commercial paper	1,070.74	174.24
	<u>1,75,944.98</u>	<u>1,46,704.91</u>
Note - 27		
Dividend income		
Dividend on investments	4,934.94	2,534.78
	<u>4,934.94</u>	<u>2,534.78</u>
Note - 28		
Fees and commission income		
Foreclosure fees and other related income	9,138.64	11,833.11
	<u>9,138.64</u>	<u>11,833.11</u>
Note - 29		
Net (loss)/gain on fair value changes		
Net (loss)/ gain on financial instruments at fair value through profit or loss		
On trading portfolio		
- Investments	(1,159.39)	1,407.53
- Derivatives	(255.81)	(654.06)
Total net (loss)/ gain on fair value changes	<u>(1,415.20)</u>	<u>753.47</u>
Fair value changes		
- Realised	(1,444.90)	703.61
- Unrealised	29.70	49.86
Total net (loss)/ gain on fair value changes	<u>(1,415.20)</u>	<u>753.47</u>
Note - 30		
Net gain on derecognition of financial assets		
Gain on sale of loan portfolio through assignment	61,669.04	3,157.96
Loss on derecognition of financial instruments	-	(178.35)
	<u>61,669.04</u>	<u>2,979.61</u>
Note - 31		
Other income		
Net gain on ineffective portion of hedges	-	196.13
	<u>-</u>	<u>196.13</u>
Note - 32		
Finance costs		
On financial liabilities measured at amortised cost		
Interest on borrowings	45,613.65	42,465.93
Interest on debt securities	14,247.22	10,938.78
Other interest expenses	13,931.52	1,003.19
Other borrowing costs	173.69	1,539.88
	<u>73,966.08</u>	<u>55,947.78</u>



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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

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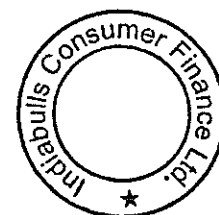
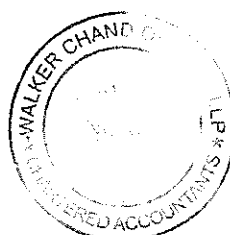
	For the year ended 31 March 2020	For the year ended 31 March 2019
Note - 33		
Impairment on financial assets (measured at amortised cost)		
Impairment allowance on loans	43,504.09	10,301.34
Loans written off	36,205.41	-
Impairment allowance on interest spread on assigned assets	1,915.71	-
	<u>81,625.21</u>	<u>10,301.34</u>
Note - 34		
Employee benefits expense		
Salaries and wages	38,980.48	18,981.50
Contribution to provident and other funds (refer note 39)	537.34	282.50
Share based payments to employees	1,504.20	3,453.69
Staff welfare expenses	762.51	274.91
	<u>41,784.53</u>	<u>22,992.60</u>
Note - 35		
Depreciation and amortisation		
Depreciation on property, plant and equipment	1,285.65	601.74
Amortisation on intangible assets	2,469.76	1,289.09
Depreciation on right-of-use assets	4,046.59	-
	<u>7,802.00</u>	<u>1,890.83</u>
Note - 36		
Other Expenses		
Repair and maintenance	183.98	139.80
Communication costs	1,841.60	1,483.80
Printing and stationery	245.91	163.38
Lease rent	296.12	2,798.63
Professional charges	24,493.58	11,504.39
Payment to statutory auditors (refer note below)	38.15	67.99
Rates and taxes	284.80	66.33
Electricity expenses	413.65	228.08
Business promotion	4,959.94	915.48
Office maintenance	1,276.34	884.37
Travelling expenses	1,254.91	424.23
Software expenses	1,738.46	1,165.60
Corporate social responsibility expenses#	626.61	272.54
Bank charges	2,422.07	363.15
Web hosting charges	45.10	37.11
Miscellaneous expenses	12.33	15.01
	<u>40,133.55</u>	<u>20,529.89</u>

Note:

Payment to statutory auditors: (including goods and services tax)

As auditor		
- audit and limited review	38.15	67.99
- in connection with issue of securities*	35.43	13.44
For taxation matters	-	-
For company law matters	-	-
For other services	-	-
For reimbursement of expenses	-	1.89

*recognised as transaction cost



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(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 36 (continued)

#Corporate social responsibility expenses

The Company spent Rs. 626.61 lakh (31 March 2019 Rs. 272.54 lakh), towards corporate social responsibility (CSR) activities as follows:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
(a) Amount spent on		
Construction/acquisition of any asset	-	-
On purpose other than above*	626.61	272.54
(b) Amount unpaid	-	-
Total	<u>626.61</u>	<u>272.54</u>

*Contribution towards donation/corpus fund paid to Indiabulls Foundation

	For the year ended 31 March 2020	For the year ended 31 March 2019
Note - 37		
Tax expense		
Current tax	1,186.31	15,530.01
Deferred tax credit	(1,650.74)	(2,209.84)
Income tax expense reported in the statement of profit and loss	<u>(464.43)</u>	<u>13,320.17</u>

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 25.17% (31 March 2019: 29.12%) and the reported tax expense in statement of profit and loss are as follows:

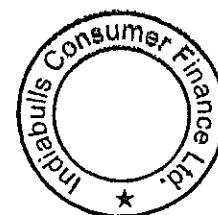
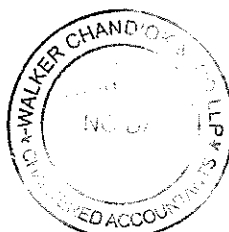
Accounting profit before tax expense	4,961.03	53,339.57
Income tax rate	25.17%	29.12%
Expected tax expense	1,248.59	15,532.48
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense		
Tax impact of expenses which will never be allowed	390.39	357.51
Tax impact of expenses which will be allowed	(1,709.68)	-
Tax impact on items exempt under income tax	(1,103.32)	(1,465.61)
Income chargeable under capital gain (difference of tax rates)	296.07	(1,459.94)
Impact of change in tax rate	471.50	409.95
Others	(57.98)	(54.22)
Tax expense	<u>(464.43)</u>	<u>13,320.17</u>

Change in tax rate

The decrease of the Indian corporate tax rate from 30% to 22% is effective from 1 April 2019 (The Taxation Laws (Amendment) Ordinance, 2019 No. 15 of 2019 dated 22 September 2019). As a result, the relevant deferred tax balances have been remeasured.

	For the year ended 31 March 2020	For the year ended 31 March 2019
Note - 38		
Earnings per equity share		
Profit available for equity shareholders	5,425.46	40,019.40
Nominal value of equity share (Rs.)	10.00	10.00
Weighted-average number of equity shares for basic earnings per share	6,11,88,000	5,03,46,686
Effect of dilution:		
Preference shares*	-	55,00,000
Weighted-average number of equity shares used to compute diluted earnings per share	6,11,88,000	5,58,46,686
Basic earnings per share (Rs.)	8.87	79.49
Diluted earnings per share (Rs.)	8.87	71.66

* During the year ended 31 March 2019, the Company modified the terms of these convertible preference shares from being compulsorily convertible to optionally convertible on 12 March 2019. Later on these preference shares were redeemed on 15 March 2019 at the transaction value.



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Note - 39

Employee benefits

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

A Defined contribution plans

The Company pays fixed contribution to provident fund at predetermined rates to a registered provident fund administered by the Government of India, which invests the funds in permitted securities. Both the Company and employees make predetermined contributions to the Provident Fund. The contributions are normally based on a certain proportion of the employee's salary. Amount of Rs. 537.34 lakh (31 March 2019 Rs. 282.50 lakh) pertaining to employers' contribution to provident and other fund is recognised as an expense and included in "Employee benefits expense".

B Defined benefit plans

Gratuity

The Company has a defined benefit unfunded gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The liability of Gratuity is recognised on the basis of actuarial valuation.

Risks associated with plan provisions

Salary increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(i) Amount recognised in the balance sheet is as under:

Particulars	As at 31 March 2020	As at 31 March 2019
Present value of obligation	1,546.71	776.90
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	1,546.71	776.90

(ii) Amount recognised in the statement of profit and loss is as under:

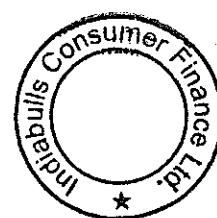
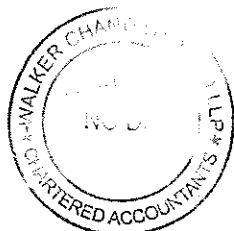
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Current service cost	595.46	227.44
Past service cost including curtailment gains/losses	-	-
Interest cost on defined benefit obligation	74.91	19.88
Interest income on plan assets	-	-
Net impact on profit (before tax)	670.37	247.32

(iii) Amount recognised in the other comprehensive income:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Actuarial loss recognised during the year	(85.81)	(44.57)

(iv) Movement in the present value of defined benefit obligation recognised in the balance sheet is as under:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Present value of defined benefit obligation as at the beginning of year	776.90	158.92
Acquisition adjustment	71.05	327.24
Current service cost	595.46	227.44
Interest cost	74.91	19.88
Past service cost including curtailment gains/losses	-	-
Benefits paid	(57.42)	(1.15)
Actuarial loss/(gain) on obligation	-	-
Actuarial loss on arising from change in demographic assumption	0.07	-
Actuarial loss on arising from change in financial assumption	180.77	38.01
Actuarial (gain)/loss on arising from experience adjustment	(95.03)	6.56
Present value of defined benefit obligation as at the end of the year	1,546.71	776.90
Expected contribution for the next Annual reporting period	958.74	769.81



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(v) **Actuarial assumptions**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Discounting rate	6.80%	7.65%
Future salary increase rate	5.00%	5.00%
Retirement age (years)	60.00	60.00
Withdrawal rate	100% of IALM (2012-14)	100% of IALM (2006 - 08)
Ages	Withdrawal Rate	Withdrawal Rate
Up to 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Weighted average duration	21.97	22.39

(vi) **Sensitivity analysis for gratuity liability**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Impact of the change in discount rate		
Present value of obligation at the end of the year	1,546.71	776.90
- Impact due to increase of 0.50 %	(122.11)	(59.16)
- Impact due to decrease of 0.50 %	136.20	65.72
Impact of the change in salary increase		
Present value of obligation at the end of the year	1,546.71	776.90
- Impact due to increase of 0.50 %	137.98	67.13
- Impact due to decrease of 0.50 %	(124.65)	(60.85)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these is not calculated.

Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

(vii) **Maturity profile of defined benefit obligation**

	As at 31 March 2020	As at 31 March 2019
0 to 1 year	21.28	14.63
1 to 2 year	13.77	8.71
2 to 3 year	17.80	8.49
3 to 4 year	25.36	8.99
4 to 5 year	29.45	10.43
5 to 6 year	42.42	14.43
6 year onwards	1,396.63	711.22

C Other long-term employee benefit plans

The Company provides for compensated absences to its employees. The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. A provision of Rs. 592.71 lakhs (31 March 2019: Rs. 157.15 lakhs) for the year have been made on the basis of actuarial valuation at the year end and debited to the Statement of Profit and Loss.

Note - 40

Leases

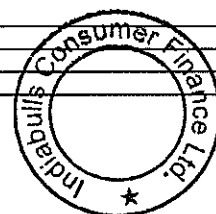
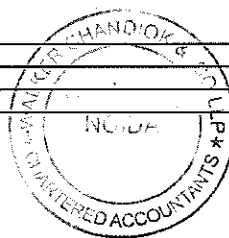
The Company has leases for office buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	Year ended 31 March 2020
Short-term leases	37.68
Leases of low value assets	-
Variable lease payments	-



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B Total cash outflow for leases for the year ended 31 March 2020 was Rs. 4,947.36 lakh.

C The Company has total commitment for short-term leases of Rs. Nil as at 31 March 2020.

D Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

31 March 2020	Minimum lease payment due						Total
	Within 1 year	1 - 2 Years	2 - 3 Years	3 - 4 Years	4 - 5 Years	More than 5 years	
Lease Payment	5,268.63	5,376.55	4,683.18	4,101.07	3,892.10	9,299.56	32,621.09
Interest Expense	2,291.41	1,957.00	1,596.99	1,308.08	1,007.82	1,116.53	9,277.83
Net Present Value	2,977.22	3,419.55	3,086.19	2,792.99	2,884.28	8,183.03	23,343.26

E Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31 March 2020 is of Rs. Nil.

F The table below describe the nature of the company's lease activities by type of right-of -use asset recognised on balance sheet :

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office Building	225	9.17 Month to 105.53 Month	82.93 Month	-	-	225

G The total future cash outflows as at 31 March 2020 for leases that had not yet commenced is of Rs. 543.62 lakh.

H Impact on transition

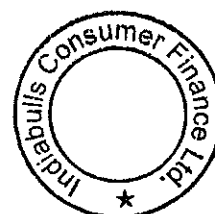
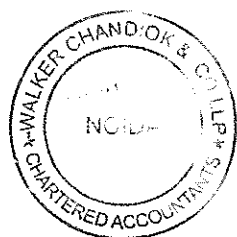
- Effective 1 April 2019, the Company has adopted Ind AS 116 "Leases" and applied modified retrospective approach to all lease contracts existing as at 1 April 2019. On transition, the adoption of new standard resulted in recognition of lease liability of Rs. Rs. 21,888.32 lakh and corresponding right of use asset of Rs. 22,103.21 lakh.
- For contracts in place as at 1 April 2019, Company Group has elected to apply the definition of a lease from Ind AS 17 and has not applied Ind AS 116 to arrangements that were previously not identified as lease under Ind AS 17.
- The Company has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of Ind AS 116, being 1 April 2019.
- Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Company has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of Ind AS 116.
- On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets the Group has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straightline basis over the remaining lease term.
- For those leases previously classified as finance leases, the right-of-use asset and lease liability are measured at the date of initial application at the same amounts as under Ind AS 17 immediately before the date of initial application.
- On transition to Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised was 10.50%.
- The following is a reconciliation of total operating lease commitments at 31 March 2019 (as disclosed in the financial statements for the year ended 31 March 2019) to the lease liabilities recognised at 1 April 2019:

Particular	Amount
Total operating lease commitments disclosed as at 31 March 2019	31,819.15
Recognition exemptions:	
Leases of low value assets	-
Leases with remaining lease term of less than 12 months	-
Variable lease payments not recognised	-
Operating lease liabilities before discounting	31,819.15
Discounting impact (using incremental borrowing rate)	(9,930.82)
Operating lease liabilities	21,888.32
Finance lease obligations under Ind AS 17	-
Total lease liabilities recognised under Ind AS 116 at 1 April 2019	21,888.32

Following are the changes in the carrying value of right of use assets for the year ended 31 March 2020:

Particulars	Year ended 31 March 2020
Balance as at 1 April 2019	-
Reclassified on account of adoption of Ind AS 116	22,103.21
Additions	5,138.90
Deletion	1,100.48
Depreciation*	4,046.59
Balance as at 31 March 2020	22,095.04

*The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.



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The following is the movement in lease liabilities during the year ended 31 March 2020:

Particulars	Year ended 31 March 2020
Balance at beginning	-
Adjustment on account of Ind AS 116	21,888.32
Additions	4,992.52
Finance cost accrued during the period	2,478.85
Deletion	1,106.75
Payment of lease liabilities	4,909.68
Balance as at end	23,343.26

Note - 41**Contingent liabilities and commitments****i. Contingent liabilities**

Particulars	As at 31 March 2020	As at 31 March 2019
Claims against the Company not acknowledged as debt: Income tax matter in dispute	95.94	-
Total	95.94	-

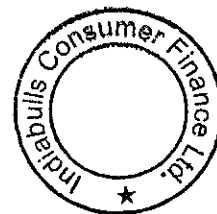
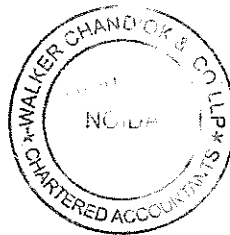
*In respect of disputes, the Company is hopeful of succeeding in appeals and does not expect any significant liabilities to materialise.

ii. Capital commitments

(to the extent not provided for)

Particulars	As at 31 March 2020	As at 31 March 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance paid)	596.28	1,154.64

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 42

Financial instruments

A Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Particulars	Note	As at 31 March 2020	As at 31 March 2019
Financial assets measured at fair value			
Investments* measured at			
Fair value through profit and loss	Note - 7	1,93,991.46	57,663.38
Loans measured at			
Fair value through other comprehensive income	Note - 6	48,773.63	-
Financial assets measured at amortised cost			
Cash and cash equivalents	Note - 4	1,96,686.93	93,078.55
Bank balances other than cash and cash equivalents	Note - 5	33,798.54	14,538.84
Loans	Note - 6	3,69,180.91	10,50,813.31
Security deposits	Note - 8	1,105.77	886.43
Other financial assets	Note - 8	51,094.10	3,902.89
Total		8,94,631.34	12,20,883.40
Financial liabilities measured at fair value			
Derivative financial instruments	Note - 14	-	209.42
Financial liabilities measured at amortised cost			
Trade payables	Note - 15	6,323.52	5,804.12
Other payables	Note - 16	3,009.50	1,819.40
Debt securities (including interest accrued)	Note - 17	80,427.81	1,73,896.15
Borrowings (other than debt securities) [including interest accrued]	Note - 18	3,96,999.50	5,83,621.06
Lease liabilities	Note - 19	23,343.26	-
Other financial liabilities	Note - 20	13,698.19	40,021.55
Total		5,23,801.78	8,05,371.70

* Investment in subsidiaries are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented here.

B Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

B.1 a) Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31 March 2020	Level 1	Level 2	Level 3	Total
Financial assets				
Investments at fair value through profit and loss				
Debt securities	50,598.89	-	-	50,598.89
Mutual fund	7,869.48	-	-	7,869.48
Loans measured at fair value through other comprehensive income				
Loans	-	-	48,773.63	48,773.63
Financial liabilities at fair value through profit and loss				
Derivative liability	-	-	-	-

As at 31 March 2019	Level 1	Level 2	Level 3	Total
Financial assets				
Investments at fair value through profit and loss				
Debt securities	2,617.51	-	-	2,617.51
Mutual funds	55,045.87	-	-	55,045.87
Financial liabilities at fair value through profit and loss				
Derivative liability	209.42	-	-	209.42

Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

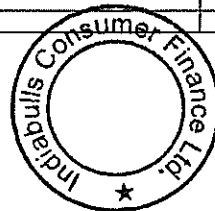
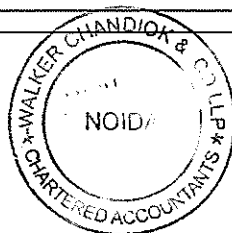
(a) the use of quoted market prices for quoted equity instruments and debt securities.

(b) the use of quoted market prices for derivative contracts at balance sheet date. For hedge related disclosures, refer note 45.

(c) the use of net asset value for certificate of deposits and mutual funds on the basis of the statement received from investee party.

b) Movement of loans measured using unobservable inputs (Level 3):

Particulars	As at 31 March 2020	As at 31 March 2019
Balance as at 1 April 2019	-	-
Addition during the year	5,69,686.09	-
Disposal during the year	(5,21,687.91)	-
Gain recognised in statement of profit and loss	1,059.00	-
Balance as at 31 March 2020	49,057.18	-



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c) Sensitivity disclosure for level 3 fair value measurements:

Particulars	Fair value as at		Sensitivity	Impact of change in rates on total comprehensive income statement			
	As at 31 March 2020	As at 31 March 2019		As at 31 March 2020	As at 31 March 2020	As at 31 March 2019	As at 31 March 2019
				Favourable	Unfavourable	Favourable	Unfavourable
Loans	49,057.18	-	1.00%	404.75	(390.95)	-	-

B.2 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	1,96,686.93	1,96,686.93	93,078.55	93,078.55
Bank balances other than cash and cash equivalents	33,798.54	33,798.54	14,538.84	14,538.84
Loans	3,69,180.91	3,69,239.47	10,50,813.31	10,76,891.84
Security deposits	1,105.77	1,109.11	886.43	833.36
Other financial assets	51,094.10	54,445.57	3,902.89	3,932.19
Total	6,51,866.25	6,55,279.62	11,63,220.02	11,89,274.78
Financial liabilities				
Trade payables	6,323.52	6,323.52	5,804.12	5,804.12
Other payables	3,009.50	3,009.50	1,819.40	1,819.40
Debt securities	80,427.81	85,454.75	1,73,896.15	1,73,896.15
Borrowings (other than debt securities)	3,96,999.50	3,97,121.42	5,83,621.06	5,84,773.35
Lease liabilities	23,343.26	24,072.26	-	-
Other financial liabilities	13,698.19	13,698.19	40,021.55	40,021.55
Total	5,23,801.78	5,29,679.64	8,05,162.28	8,06,314.57

The following methods and assumptions were used to estimate the fair values for other assets and liabilities:

(i) The fair values of the Company's fixed interest bearing loans are determined by applying discounted cash flows ('DCF') method. For variable rate interest-bearing loans, carrying value represent best estimate of their fair value.

(ii) The fair values of the Company's fixed rate interest-bearing debt securities and borrowings are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. For variable rate interest-bearing debt securities and borrowings, carrying value represent best estimate of their fair value as these are subject to changes in underlying interest rate indices as and when the changes happen.

(iii) The fair value of the Company's non interest bearing security deposits and other financial liabilities are determined by applying Discounted Cash Flows (DCF) method.

Note - 43

Financial risk management

i) Risk Management

As a Non-Banking Financial Company (NBFC), the Company is exposed to various risks that are related to lending business and operating environment. The principal objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks. Company's risk management framework is driven by Board and its subcommittees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, technical and legal verifications, conservative loan to value, and required term cover for insurance. The major types of risk Company face in businesses are liquidity risk, credit risk and interest rate risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

In order to avoid excessive concentration of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

A) Credit risk

Credit risk arises from the potential that an obligor is either unwilling to perform on an obligation or its ability to perform such obligation is impaired resulting in economic loss to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, bank balances other than cash and cash equivalents, loan assets and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

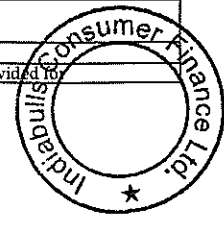
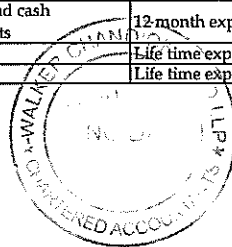
a) Credit risk management

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk
- (ii) Moderate credit risk
- (iii) High credit risk

The Company provides for expected credit loss based on the following:

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Cash and cash equivalents, bank balances other than cash and cash equivalents, loans, security deposits and other financial assets	12-month expected credit loss
Moderate credit risk	Loans	Life time expected credit loss
High credit risk	Loans	Life time expected credit loss or fully provided to



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Financial assets that expose the entity to credit risk*

Particulars	As at 31 March 2020	As at 31 March 2019
(i) Low credit risk		
Cash and cash equivalents	1,96,686.93	93,078.55
Bank balances other than cash and cash equivalents	33,798.54	14,538.84
Loans	4,39,628.26	10,47,549.20
Security deposits	1,105.77	886.43
Other financial assets	51,094.10	3,902.89
(ii) Moderate credit risk		
Loans	22,201.47	7,338.51
(iii) High credit risk		
Loans	9,094.92	8,412.93

* These represent gross carrying values of financial assets, without netting off impairment loss allowance.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only placing highly rated deposits in banks and financial institutions across the country.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes loans to employees, security deposits, interest spread on assigned assets and other recoverable. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

The Company closely monitors the credit-worthiness of the borrower's through internal systems and project appraisal process (wherever applicable) to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for the amounts loan assets that become past due and default is considered to have been occurred when amounts receivable become one year past due.

The major guidelines for selection of the client includes:

- The client's income and indebtedness levels
- The client must possess the required Know Your Customer (KYC) documents
- Client must agree to follow the rules and regulations of the Company
- Credit bureau check - In order to deal with the problem of over extension of credit and indebtedness of the client, the Company undertakes credit bureau checks for every client. The credit bureau check helps the Company in identifying clients with poor repayment histories and multiple loans.

Category*	Inputs	Assumptions
Corporate borrowers	1. Historical data as per industry trends 2. Supplemental external information that could affect the borrowers behaviour	1. Recoverability assumptions for stage 3 loan assets and related assessment with value of collateral 2. Management judgement is applied to determine the economic scenarios and the application of probability weights
Retail borrowers	3. Discount rate is based on internal rate of return on the loan	

*The Company has used forward looking information in form of GDP growth rate and unemployment rate specific to the sector.

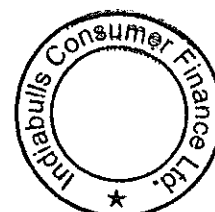
Assets are written off when there is no reasonable expectation of recovery. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

b) Credit risk exposure

i) Expected credit losses for financial assets other than loans

As at 31 March 2020	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	1,96,686.93	-	1,96,686.93
Bank balances other than cash and cash equivalents	33,798.54	-	33,798.54
Security deposits	1,105.77	-	1,105.77
Other financial assets	53,009.81	1,915.71	51,094.10

As at 31 March 2019	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	93,078.55	-	93,078.55
Bank balances other than above	14,538.84	-	14,538.84
Security deposits	886.43	-	886.43
Other financial assets	3,902.89	-	3,902.89



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ii) Expected credit loss for loans

Definition of default:

- i) The Company considers default in all cases when the borrower becomes 90 days past due on its contractual payments. The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the probability of default, exposure at default and loss given default.

Changes in the gross carrying amount in relation to loans from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at 1 April 2018	4,00,297.22	1,247.56	207.97
Assets originated and acquired	9,84,562.09	-	-
Net transfer between stages	(18,592.38)	8,883.39	9,708.98
Assets derecognised	(3,18,717.71)	(2,792.46)	(1,504.02)
Gross carrying amount as at 31 March 2019	10,47,549.22	7,338.49	8,412.93
Assets originated	11,70,887.04	-	-
Net transfer between stages	(1,21,025.35)	48,003.89	73,021.46
Assets derecognised	(16,57,782.65)	(33,140.91)	(72,339.47)
Gross carrying amount as at 31 March 2020	4,39,628.26	22,201.47	9,094.92

Reconciliation of loss allowance provision from beginning to end of reporting period:

Reconciliation of loss allowance	Stage 1	Stage 2	Stage 3
Loss allowance as on 1 April 2018	1,209.17	125.30	167.08
Increase of provision due to assets originated and purchased during the year	4,135.16	-	-
Net transfer between stages	(8,133.84)	2,187.09	5,946.75
Loss allowance written back/write offs	7,197.24	(14.33)	(332.29)
Loss allowance as at 31 March 2019	4,407.73	2,298.06	5,781.54
Increase of provision due to assets originated during the year	4,699.20	-	-
Net transfer between stages	(29,270.79)	4,797.15	24,473.64
Loss allowance written back/write offs	22,154.96	(751.35)	(24,620.03)
Loss allowance as at 31 March 2020	1,991.10	6,343.86	5,635.15

c) Concentration of loans

Prudent risk management involves the minimisation of concentration risk by diversifying the loan portfolio. Setting up exposure limit for particular industry, sector, geographical area, product, etc. is essential to reduce the concentration of the loan portfolio.

Particulars	As at 31 March 2020	As at 31 March 2019
Corporate borrowers	69,591.12	3,24,382.83
Retail borrowers	4,01,333.53	7,38,917.81
Total	4,70,924.65	10,63,300.64

d) Loans secured against collateral

Company's secured portfolio has security base as follows:

Particulars	Value of loans	
	As at 31 March 2020	As at 31 March 2019
Secured by tangible assets	1,18,162.12	4,94,306.69
Secured by other assets	1,161.88	1,776.73

Wherever required, the Company holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, pledge of securities, guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts, etc.

The Company does not physically possess properties or other assets in its normal course of business but makes efforts toward recovery of outstanding amounts on delinquent loans. Once contractual loan repayments are more than 90 days past due, possession of property may be initiated. Possessed property is disposed of in the manner prescribed under the regulatory guidance to recover outstanding debt.

B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

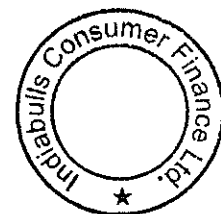
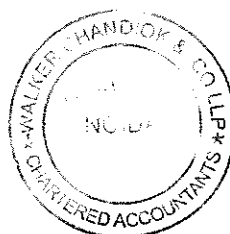
The Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Company's (through Asset Liability Management Committee) liquidity positions (also comprising the undrawn borrowing facilities), matching of the financial assets and financial liabilities position and cash and cash equivalents on the basis of expected cash flows. The Company also takes into account liquidity of the market in which the entity operates.

(i) Financing arrangements

The Company had access to the following funding facilities:

As at 31 March 2020	Total facility	Undrawn
- Expiring within one year	6,500.00	3,992.28
Total	6,500.00	3,992.28

As at 31 March 2019	Total facility	Undrawn
- Expiring within one year	20,859.00	6,129.34
Total	20,859.00	6,129.34



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(ii) **Maturities of financial assets and liabilities**

The tables below analyse the Company financial assets and liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows:

As at 31 March 2020	Less than 1 year	1-3 years	More than 3 years	Total
Financial assets				
Cash and cash equivalent	1,96,717.26	-	-	1,96,717.26
Bank balance other than cash and cash equivalents	34,727.73	-	-	34,727.73
Loans	2,86,240.84	1,87,305.31	3,19,425.59	7,92,971.74
Investments	58,468.37	50,000.06	85,523.03	1,93,991.46
Other financial assets	49,000.87	9,268.02	1,455.11	59,724.00
Total financial assets	6,25,155.07	2,46,573.39	4,06,403.73	12,78,132.19
Financial liabilities				
Debt Securities	15,526.61	65,020.59	17,397.66	97,944.86
Borrowings (other than debt securities)	2,11,811.22	2,19,539.42	18,259.07	4,49,609.71
Trade payables	6,323.52	-	-	6,323.52
Other payable	3,009.50	-	-	3,009.50
Lease liabilities	5,268.63	10,059.73	17,292.73	32,621.09
Other financial liabilities	13,698.19	-	-	13,698.19
Total undiscounted financial liabilities	2,55,637.67	2,94,619.74	52,949.46	6,03,206.87
Net financial assets/(liabilities)	3,69,517.40	(48,046.35)	3,53,454.27	6,74,925.32

The amounts disclosed in the table are the contractual undiscounted cash flows:

As at 31 March 2019	Less than 1 year	1-3 year	More than 3 years	Total
Financial assets				
Non-derivatives				
Cash and cash equivalent and other bank balances	1,01,765.21	6,801.76	-	1,08,566.97
Loans	4,62,508.54	6,45,308.54	2,79,328.07	13,87,145.15
Investments	57,663.38	-	-	57,663.38
Other financial assets	2,251.52	2,064.51	1,813.15	6,129.18
Total undiscounted financial assets	6,24,188.65	6,54,174.81	2,81,141.22	15,59,504.68
Financial liabilities				
Non-derivatives				
Debt securities	1,02,640.69	69,346.54	24,160.97	1,96,148.20
Borrowings (other than debt securities)	3,11,258.28	2,16,896.90	88,965.91	6,17,121.09
Trade payables	5,804.12	-	-	5,804.12
Other payable	1,819.40	-	-	1,819.40
Other financial liabilities	40,021.55	-	-	40,021.55
Derivatives (net settled)				
Index linked derivatives	209.42	-	-	209.42
Total undiscounted financial liabilities	4,61,753.46	2,86,243.44	1,13,126.88	8,61,123.78
Net undiscounted financial assets/(liabilities)	1,62,435.19	3,67,931.37	1,68,014.34	6,98,380.90

C) **Market risk**

Market risk is the risk that the value of on and off-balance sheet positions of a financial institution will be adversely affected by movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and/or commodity prices resulting in a loss to earnings and capital.

The Company's exposure to market risk is primarily on account of interest rate risk and price risk

a) **Interest rate risk**

i) **Liabilities**

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at 31 March 2020, the Company is exposed to changes in market interest rates borrowings other than debt securities at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

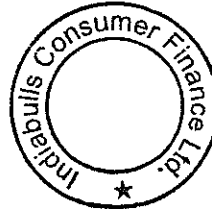
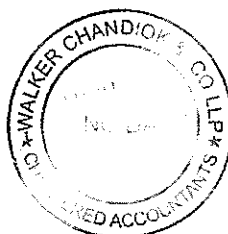
Particulars	As at 31 March 2020	As at 31 March 2019
Fixed rate liabilities		
Debt securities	79,677.24	1,73,486.15
Borrowings (other than debt securities)	1,65,966.04	1,47,010.83
Variable rate liabilities		
Borrowings (other than debt securities)	2,29,654.29	4,35,814.58
Total	4,75,297.57	7,56,311.56

Sensitivity

Below is the sensitivity of profit or loss in interest rates.

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest sensitivity*		
Interest rates – increase by 0.50%	16,540.32	6,904.28
Interest rates – decrease by 0.50%	(16,540.32)	(6,904.28)

* Holding all other variables constant



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ii) Assets

The Company's term deposits and commercial paper/deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

b) Price risk**i) Exposure**

The Company's exposure price risk arises from investments held and classified in the balance sheet at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

ii) Sensitivity

The table below summarises the impact of increases/decreases of the index on the Company's profit for the period:

Impact on profit after tax

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Mutual funds		
Net assets value - increase by 5%	393.47	2,752.29
Net assets value - decrease by 5%	(393.47)	(2,752.29)
Quoted debt securities		
Market price - increase by 5%	2,529.94	130.88
Market price - decrease by 5%	(2,529.94)	(130.88)

Note - 44**Capital management**

The Company's capital management objectives are

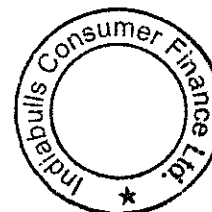
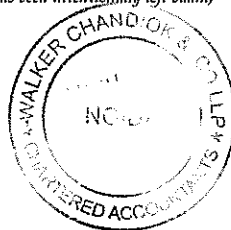
- to ensure the Company's ability to continue as a going concern
- to comply with externally imposed capital requirement and maintain strong credit ratings
- to provide an adequate return to shareholders

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	As at 31 March 2020	As at 31 March 2019
Net debt*	2,80,740.38	6,64,438.66
Total equity	4,23,773.75	4,36,812.86
Net debt to equity ratio	0.66	1.52

* Net debt includes debt securities + borrowings other than debt securities + interest accrued - cash and cash equivalents.

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Note - 45

Fair value hedges

A Risk management strategy

The use of derivatives can give rise to price risk. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The price risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes. The Company uses derivative instruments as part of its management of exposure to fluctuations in market price of equity investments. The derivative transactions are normally in the form of futures and these are subject to the Company guidelines and policies.

B Hedge relationship

The Company had done investment in shares of Reliance Industries Limited. The Company enters into selling of future of Reliance Industries Limited to hedge its price risk. Gains and losses on these hedge transactions are substantially offset by the amount of gains or losses on the underlying assets. Net gains and losses are recognised in the statement of profit and loss.

Hedge ratio is the relationship between the quantity of the hedging instrument and the quantity of the hedged item. In the case, total principal payments under the transaction is hedged with futures of the equivalent amount and at the same dates. Hence the entity hedge 100% of its exposure on the transaction and is considered highly effective. The Company has entered into nifty future contracts which provide an economic hedge to a risk component of a transaction.

C Other hedge related disclosures

The fair value of the Company's derivative positions recorded under derivative financial liabilities are as follows:

31 March 2020

Type of hedge and risk	Change in fair value of hedging instrument	Maturity date	Change in value of hedged item used as a basis of recognising hedge effectiveness	Hedge ratio
	-	-	-	-

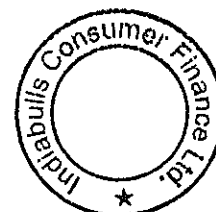
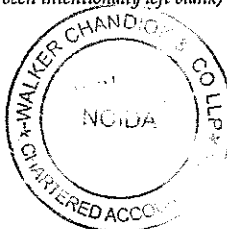
Particulars	Carrying amount of derivative liabilities	Carrying amount of investments	Amount charged to statement of profit and loss
Investments	-	-	-

31 March 2019

Type of hedge and risk	Change in fair value of hedging instrument	Maturity date	Change in value of hedged item used as a basis of recognising hedge effectiveness	Hedge ratio
Equity futures (loss)/gain	(2,633.93)	27 September 2018	2,830.05	1:1

Particulars	Carrying amount of derivative liabilities	Carrying amount of investments	Amount charged to statement of profit and loss
Investments	-	-	196.13

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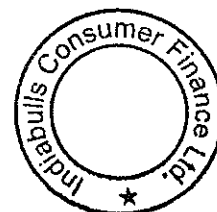
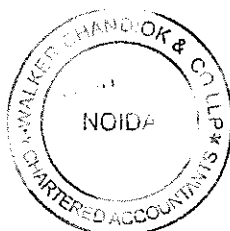
(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 46

Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities.

	As at March 31, 2020		As at March 31, 2019	
	Within 12 months	After 12 months	Within 12 months	After 12 months
ASSETS				
Financial assets				
Cash and cash equivalents	1,96,686.93	-	93,078.55	-
Bank balances other than cash and cash equivalents	33,798.54	-	8,326.40	6,212.44
Loans	1,75,755.32	2,42,199.22	4,53,013.62	5,97,799.69
Investments	58,468.37	1,35,523.09	57,663.38	-
Other financial assets	43,923.78	8,276.09	1,961.01	2,828.31
	<u>5,08,632.95</u>	<u>3,85,998.39</u>	<u>6,14,042.96</u>	<u>6,06,840.44</u>
Non-financial assets				
Current tax assets (net)	9,093.74	-	713.51	-
Deferred tax assets (net)	-	4,799.08	-	3,393.28
Investment accounted for using equity method	-	-	-	3,570.43
Property, plant and equipment	-	6,308.34	-	3,093.33
Right-of-use assets	4,158.11	17,936.93	-	-
Intangible assets under development	-	542.56	-	246.07
Other intangible assets	-	4,879.56	-	5,184.96
Other non-financial assets	11,791.72	239.64	7,673.39	1,015.53
	<u>25,043.57</u>	<u>34,706.11</u>	<u>8,386.90</u>	<u>16,503.60</u>
TOTAL ASSETS	<u>5,33,676.52</u>	<u>4,20,704.50</u>	<u>6,22,429.86</u>	<u>6,23,344.04</u>
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Derivative financial instruments	-	-	209.42	-
Payables				
Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	6,323.52	-	5,804.12	-
Other payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3,009.50	-	1,819.40	-
Debt securities	7,500.01	72,177.23	67,480.00	1,06,006.15
Borrowings (other than debt securities)	1,79,803.95	2,15,816.38	2,77,642.52	3,05,182.89
Lease liabilities	2,977.22	20,366.04	-	-
Other financial liabilities	15,827.93	-	41,227.20	-
	<u>2,15,442.13</u>	<u>3,08,359.65</u>	<u>3,94,182.66</u>	<u>4,11,189.04</u>
Non-financial liabilities				
Provisions	44.93	2,396.43	23.39	1,044.13
Other non-financial liabilities	4,364.13	-	2,266.54	255.27
	<u>4,409.06</u>	<u>2,396.43</u>	<u>2,289.93</u>	<u>1,299.40</u>
TOTAL LIABILITIES	<u>2,19,851.19</u>	<u>3,10,756.08</u>	<u>3,96,472.59</u>	<u>4,12,488.44</u>
Net	<u>3,13,825.33</u>	<u>1,09,948.42</u>	<u>2,25,957.27</u>	<u>2,10,855.60</u>



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Note - 47

Operating segments

General information

The Company operates in a single reportable segment i.e. financing and investing related activities, which has similar risks and returns for the purpose of Ind AS 108 "Operating segments", is considered to be the only reportable business segment. The Company derives its major revenues from financing activities and its customers are widespread. Further, The Company is operating in India which is considered as a single geographical segment.

Note - 48

Related party disclosure

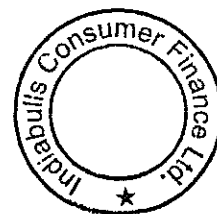
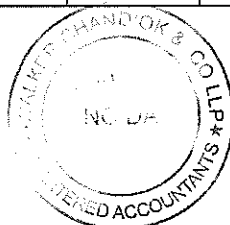
The Company's related parties primarily consist of its subsidiaries including step down subsidiaries. The Company routinely enters into transactions with these related parties in the ordinary course of business on the terms equivalent to those that prevail in arm length transactions.

(a) Details of related parties:

Description of relationship	Names of related parties
Holding company	Indiabulls Ventures Limited
Subsidiary companies (including step-down subsidiaries)	TranServ Limited (formerly known as TranServ Private Limited) (from 1 April 2019) Indiabulls Distribution Services Limited (from 26 March 2020) Indiabulls Alternate Investments Limited (from 26 March 2020) Indiabulls Investment Advisors Limited (from 20 March 2020)
Fellow subsidiary companies (with whom transactions took place)	Indiabulls Distribution Services Limited (till 26 March 2020) Indiabulls Investment Advisors Limited (till 20 March 2020)
Key management personnel	Mr. Pinank Jayant Shah, Whole Time Director and Chief Executive Officer Mr. Gagan Banga, Director Mr. Alok Kumar Mishra, Director Mr. Nafees Ahmed, Director Mr. Ajit Kumar Mittal, Director Mr. Labh Singh Sitara Mrs. Preetinder Virk (from 4 December 2018) Mrs. Manjari Ashok Kacker (till 4 December 2018) Mr. Divyesh B Shah, Chief Executive Officer and Whole Time Director of Indiabulls Ventures Limited
Person exercising significant influence	Mr. Sameer Gehlaut

(b) Statement of transactions with related parties during the year:

Particulars	Holding company		Subsidiaries/Fellow subsidiaries/ Step-down subsidiaries		Key management personnel	
	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019
Finance						
- Loans given (Maximum balance outstanding during the year):	60,500.00	-	71,000.00	30,000.00	-	-
- Loans taken (Maximum balance outstanding during the year):	70,020.00	98,920.00	-	-	-	-
Share capital						
- Issue of equity shares	-	2,57,224.80	-	-	-	-
- Redemption of compulsory convertible preference shares	-	-	-	27,500.00	-	-
Investment						
- Purchase of equity shares	550.00	-	-	-	-	-
- Investment in equity shares	-	-	80,000.12	-	-	-
- Investment in compulsorily convertible debentures	-	-	50,000.06	-	-	-
Assets						
- Deposit for mark to margin account	-	42.54	-	-	-	-
Liabilities						
- Employee benefits transfer received	43.85	13.83	52.66	206.03	-	-
- Employee benefits transfer paid	4.07	-	8.93	-	-	-
Fixed deposits pledged	-	1,100.00	-	-	-	-
Income						
- Interest income from loan	1,239.86	-	1,371.23	27.12	-	-
- Service fees	-	-	-	1.83	-	-
Interest income on Compulsorily Convertible Debentures						
- Interest income from Compulsorily Convertible Debentures	-	-	2,520.55	-	-	-
Expenses						
- Brokerage paid	14.42	25.59	-	-	-	-
- Interest expense	1,047.44	4,032.51	-	-	-	-
Dividend paid	17,285.61	-	-	-	-	-
Reimbursement of expenses paid	283.26	-	2,282.02	51.08	-	-
Non convertible debentures issued						
Compensation to key management personnel	-	-	-	-	-	10.00
- Short term employee benefits	-	-	-	-	267.11	303.95
- Sitting fees	-	-	-	-	11.99	21.80
- Post employee benefits- gratuity	-	-	-	-	1.96	13.21
- Other long-term benefits- compensated absences	-	-	-	-	7.96	12.76
- Share based payment expenses	-	-	-	-	493.37	844.26



INDIABULLS CONSUMER FINANCE LIMITED

(Formerly known as IVL Finance Limited)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

(c) Outstanding at year ended 31 March 2020:

Nature of transaction	Holding company		Subsidiaries/Fellow subsidiaries	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Loans taken	-	27,520.00	-	-
Investment in compulsorily convertible debentures	-	-	50,080.06	-
Deposit for mark to market margin account	-	309.09	-	-
Advance given	-	-	1,172.70	-
Fixed deposits pledged (excluding interest accrued)	-	1,100.00	-	-

Note -

During the year ended 31 March 2020, the Company has obtained borrowings from banks and financial institution, out of which Rs. 60,000 lakh (31 March 2019: Rs. 1,43,900 lakh) is guaranteed by Indiabulls Ventures Limited (Holding Company) and guarantee released during the year amounts to Rs. 89,086.67 lakh (31 March 2019: Rs. 2,25,000.00 lakh). The corporate guarantee outstanding as on 31 March 2020 is Rs. 1,87,730.00 lakh (31 March 2019: Rs. 2,16,816.67 lakh).

Note - 49

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

Details of trade payable dues to micro and small enterprises as defined under the msmed act, 2006

Particulars	As at 31 March 2020	As at 31 March 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(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	-	-

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.

Details of other payable dues to micro and small enterprises as defined under the msmed act, 2006

Particulars	As at 31 March 2020	As at 31 March 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(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	-	-

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.

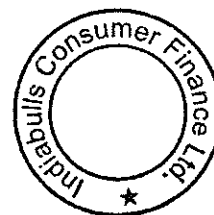
Note - 50

Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Debt securities	Borrowings (other than debt)	Lease liabilities	Total
1 April 2018	35,000.00	2,78,015.68	-	3,13,015.68
Cash flows:				
- Proceeds	7,86,539.71	9,37,211.04	-	17,23,750.75
- Repayment	(6,46,419.18)	(6,31,558.26)	-	(12,77,977.44)
Non cash:				
- Amortisation of upfront fees and others	(1,634.38)	(843.05)	-	(2,477.43)
31 March 2019	1,73,486.15	5,82,825.41	-	7,56,311.56
Adjustment on account of Ind AS 116	-	-	21,888.32	21,888.32
Cash flows:				
- Proceeds	41,820.28	1,72,552.80	-	2,14,373.08
- Repayment	(1,37,500.00)	(3,60,404.65)	(4,909.68)	(5,02,814.33)
Non cash:				
- Amortisation of upfront fees and others	1,870.81	646.77	-	2,517.58
- Addition during the year	-	-	3,885.77	3,885.77
- Others	-	-	2,478.85	2,478.85
31 March 2020	79,677.24	3,95,620.33	23,343.26	4,98,640.83

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INDIABULLS CONSUMER FINANCE LIMITED

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 51

Transferred financial assets

A) Securitisation

In the course of its finance activity, the Company makes transfers of financial assets, where legal rights to the cash flows from the asset are passed to the counterparty and where the Company retains the rights to the cash flows but assumes a responsibility to transfer them to the counterparty.

The Company has securitized its loan assets to an unrelated and unconsolidated entities. As per the terms of the agreements, the Company is exposed to first loss default guarantee and cash collateral amounting in range of 14% to 18% of the amount securitised and therefore continues to be exposed to significant risk and rewards relating to the underlying receivables. Hence, these loan assets are not derecognised and proceeds received are presented as other financial liability.

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Securitisations	As at 31 March 2020	As at 31 March 2019
Gross carrying amount of securitised assets	89,112.47	42,197.00
Gross carrying amount of associated liabilities	92,156.05	40,828.55
Carrying value and fair value of securitised assets	92,567.91	43,111.96
Carrying value and fair value of associated liabilities	92,156.05	40,828.55
Net position	411.86	2,283.41

B) Assignment

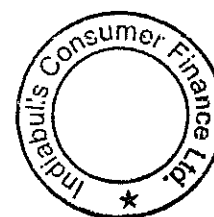
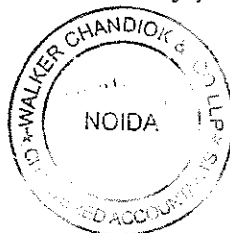
During the year ended March 31, 2020, the Company has sold certain loans by way of direct bilateral assignment, as a source of finance. As per the terms of such deals, since the derecognition criteria as per Ind AS 109 are met, (including transfer of substantial risks and rewards) relating to assets being transferred to the buyer, the assets have been derecognised from the books of the Company.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition.

Particulars	As at 31 March 2020	As at 31 March 2019
Carrying amount of de-recognised financial asset	5,88,837.88	60,648.15
Gain on sale of the de-recognised financial asset	61,669.04	3,157.96

Since the Company has derecognized the above loan assets in entirety, the whole of the interest spread at the present value (discounted over the expected life of the assets) is recognised on the date of derecognition itself as interest-only strip receivable and corresponding profit on derecognition of financial assets is recognised in the Statement of Profit and Loss.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

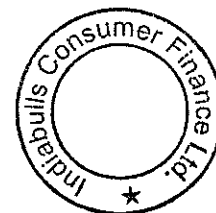
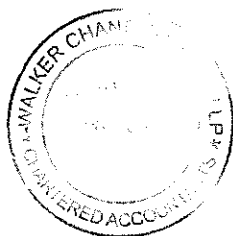
(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 52

Schedule in terms of Annex II of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as at and for the year ended 31 March 2020 (Disclosures are made as per Ind As Financial statements except otherwise stated):

Particulars	As at 31 March 2020		As at 31 March 2019	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Liabilities side:				
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:				
(a) Debentures : Secured	80,427.81	-	78,896.15	-
: Unsecured	-	-	-	-
(other than falling within the meaning of public deposits)				
(b) Deferred credits	-	-	-	-
(c) Term loans	3,02,335.73	-	5,00,495.53	-
(d) Inter-corporate loans and borrowing	-	-	27,520.00	-
(e) Commercial paper	-	-	95,000.00	-
(f) Public Deposits	-	-	-	-
(g) Other loans				
- Loan repayable on demand	2,507.72	-	14,729.66	-
- Vehicle loan	-	-	47.32	-
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-

Assets side:	Amount outstanding as at 31 March 2020	Amount outstanding as at 31 March 2019
	(3) Break-up of loans and advances including bills receivables [other than those included in (4) below]:	
(a) Secured	1,19,324.00	4,96,083.42
(b) Unsecured	3,51,600.65	5,67,217.22
Less: impairment loss allowance	(52,970.11)	(12,487.33)
Total	4,17,954.54	10,50,813.31
(4) Break up of leased assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors		
(a) Assets on hire	-	-
(b) Repossessed assets	-	-
(iii) Other loans counting towards asset financing activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
(5) Break-up of Investments :		
Current Investments		
1. Quoted:		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	50,598.89	2,617.51
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others	-	-
2. Unquoted:		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	7,869.48	55,045.87
(iv) Government securities	-	-
(v) Others	-	-



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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

	Amount outstanding as at 31 March 2020	Amount outstanding as at 31 March 2019
Long Term Investments		
1. Quoted:		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others	-	-
2. Unquoted:		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	50,000.06	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others	-	-
(a) Equity investment in subsidiaries	85,523.03	-
(b) Investment in associate	-	3,570.43

(6) Borrower group-wise classification of all assets financed as in (3) and (4) above:

Category	Amount (net of allowance for impairment loss)			
	As at 31 March 2020		As at 31 March 2019	
	Secured	Unsecured	Secured	Unsecured
1. Related parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties*	1,19,324.00	3,51,600.65	4,96,083.42	5,67,217.22
Total	1,19,324.00	3,51,600.65	4,96,083.42	5,67,217.22

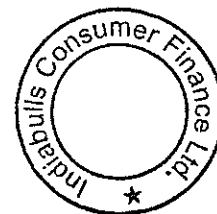
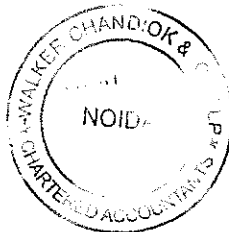
*Includes provision against loan assets of Rs. 52,970.11 lakh (31 March 2019 Rs. 12,487.33 lakh)

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	As at 31 March 2020		As at 31 March 2019	
	Market Value	(net of)	Market Value	(net of)
1. Related parties				
(a) Subsidiaries	1,35,523.09	1,35,523.09	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	3,570.43	3,570.43
2. Other than related parties	58,468.37	58,468.37	57,663.38	57,663.38
Total	1,93,991.46	1,93,991.46	61,233.81	61,233.81

(8) Other information:

Particulars	As at 31 March 2020	As at 31 March 2019
(I) Gross non-performing assets		
(a) Related parties	-	-
(b) Other than related parties	9,094.92	8,412.93
(II) Net non-performing assets		
(a) Related parties	-	-
(b) Other than related parties	3,459.77	2,631.39



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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 53

Disclosure pursuant to Reserve Bank of India notification DOR (NBFC),CC.PD.no 109/22.10.106/2019-20 dated 13 March 2020 pertaining to Asset Classification as per RBI norms and Income Recognition, Asset Classification and Provisioning ("IRACP") norms.

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard Assets	Stage 1	4,39,628.26	1,991.10	4,37,637.16	1,758.51	232.59
	Stage 2	22,201.47	6,343.86	15,857.61	88.81	6,255.05
Sub Total		4,61,829.73	8,334.96	4,53,494.77	1,847.32	6,487.64
Non-Performing Assets (NPA)						
Substandard	Stage 3	9,030.40	5,586.76	3,443.64	903.04	4,683.72
Doubtful - up to 1 year	Stage 3	64.52	48.39	16.13	64.52	(16.13)
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Sub Total For Doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Sub Total For NPA		9,094.92	5,635.15	3,459.77	967.56	4,667.59
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub Total		-	-	-	-	-
TOTAL	Stage 1	4,39,628.26	1,991.10	4,37,637.16	1,758.51	232.59
	Stage 2	22,201.47	6,343.86	15,857.61	88.81	6,255.05
	Stage 3	9,094.92	5,635.15	3,459.77	967.56	4,667.59
	TOTAL	4,70,924.65	13,970.11	4,56,954.54	2,814.88	11,155.23

Note - 54

Additional disclosures as per Circular Number: RBI/DNBR/2016-17/45 Master Direction DNBR.PD.008/03.10.119/2016-17, dated 1 September 2016 updated as on 17 February 2020 issued by RBI as under:

i. Disclosure for capital to risk assets ratio (CRAR):-

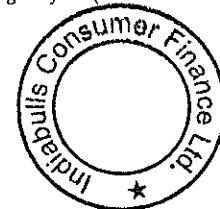
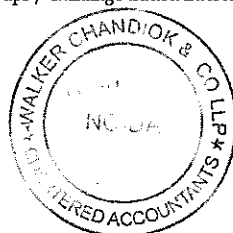
Items	As at 31 March 2020	As at 31 March 2019
(i) CRAR (%)	58.92%	37.70%
(ii) CRAR - Tier I Capital (%)	52.66%	37.12%
(iii) CRAR - Tier II Capital (%)	6.27%	0.58%

ii. Investments

Particulars	As at 31 March 2020	As at 31 March 2019
A. Value of investments		
(I). Gross value of investments		
a) In India	1,93,991.46	61,233.81
b) Outside India	-	-
(II) Provision for depreciation		
a) In India	-	-
b) Outside India	-	-
(III) Net value of investments		
a) In India	1,93,991.46	61,233.81
b) Outside India	-	-
B. Movement of provisions held towards depreciation on investments.		
a) Opening balance	-	-
b) Add : Provisions made during the year	-	-
c) Less : Write-off / write-back of excess provisions during the year	-	-

iii. Disclosures relating to derivatives:

The Company has no investment in forward rate agreement / interest rate swaps / exchange traded interest rate (IR) derivatives during the year. (31 March 2019: Rs. Nil)



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(All amounts are in Indian Rupees in lakh unless stated otherwise)

iv. Disclosures relating to securitisation:
a. Outstanding amount of securitised assets as per books of the SPVs sponsored by the NBFC and total amount of exposure retained by the NBFC as on the date of balance sheet towards the Minimum Retention Requirements (MRR)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
1. No of SPVs sponsored by the NBFC for securitisation transactions	7.00	3.00
2. Total amount of securitised assets as per books of SPVs sponsored	92,156.05	40,828.55
3. Total amount of exposures retained by the NBFC towards the MRR as on the date of balance sheet		-
i) Off-balance sheet exposures		
- First loss	-	-
- Others	-	-
ii) On-balance sheet exposures towards credit concentration		
- First loss	23,360.17	6,212.44
- Others	-	-
4. Amount of exposures to securitisation transactions other than MRR		
i) Off-balance sheet exposures		
- First loss	-	-
- Others	-	-
ii) On-balance sheet exposures		
- First loss	-	-
- Others	-	-

b. Details of Financial assets sold to Securitisation/Reconstruction Company for Asset Reconstruction

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
i) No. of accounts	-	-
ii) Aggregate value (net of provisions) of accounts sold to SC/RC	-	-
iii) Aggregate consideration	-	-
iv) Additional consideration realised in respect of accounts transferred in earlier years	-	-
v) Aggregate gain/loss over net book value	-	-

c. Details of Assignment transactions undertaken by NBFCs

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
i). No. of accounts (nos)	19,74,676.00	345.00
ii) Aggregate value (net of provisions) of accounts assigned	5,88,837.88	60,648.15
iii) Aggregate consideration	5,88,837.88	60,648.15
iv) Additional consideration realised in respect of accounts transferred in earlier years	-	-
v) Aggregate gain/loss over net book value	-	-

d. Details of non-performing financial assets purchased:

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
i) No. of accounts purchased during the year	-	-
ii) Aggregate outstanding	-	-
iii) Of these, number of accounts restructured during the year	-	-
iv) Aggregate outstanding	-	-

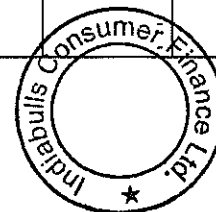
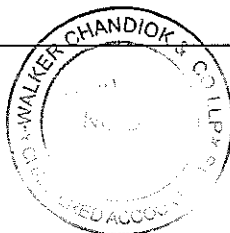
e. Details of non-performing financial assets sold.

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
i). No. of accounts sold	-	-
ii) Aggregate outstanding	-	-
iii) Aggregate consideration received	-	-

(v) Exposure to real estate sector:-

Category	As at 31 March 2020	As at 31 March 2019
Direct exposure		
(i) Residential mortgages:		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	59,702.43	-
(ii) Commercial real estate*:		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	14,593.34	4,85,294.53
(iii) Investments in mortgage backed securities (MBS) and other securitised exposures:		
a. Residential	-	-
b. Commercial real estate	-	-

* as per contractual receivables at balance sheet date.



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(All amounts are in Indian Rupees in lakh unless stated otherwise)

(vi) Exposure to capital markets*

Particulars	As at 31 March 2020	As at 31 March 2019
i. direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	31,247.94
ii. advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii. advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	1,161.88	1,751.89
iv. advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
v. secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi. loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii. bridge loans to companies against expected equity flows / issues;	-	-
viii. all exposures to venture capital funds (both registered and unregistered)	-	-
Total exposure to capital market	1,161.88	32,999.83

* as per contractual receivables at balance sheet date.

vii. Maturity pattern of assets and liabilities as at 31 March 2020:

In accordance with the Reserve Bank of India ("RBI") guidelines for Assets Liability Management System in NBFC, the maturity pattern of Assets and Liabilities has been estimated based on the behavioural pattern of assets and liabilities on the basis of past data available with the Company.

	1 day to 7 days	8 day to 14 days	15 day to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years
Liabilities										
Borrowings	5,531.59	-	-	5,531.59	17,087.01	68,210.44	35,199.02	2,21,522.56	30,059.31	-
Assets										
Advances	4,332.18	4,332.18	9,123.40	16,661.19	16,745.75	56,542.79	90,292.45	2,06,699.63	44,598.59	21,596.49
Investments	58,468.36	-	-	-	-	-	-	50,000.06	-	85,523.03

Maturity pattern of assets and liabilities as at 31 March 2019:

	1 day to 7 days	8 day to 14 days	15 day to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years
Liabilities										
Borrowings	-	-	14,939.79	75,533.88	37,682.90	1,63,772.90	58,727.88	2,22,445.61	1,14,132.05	728.00
Assets										
Advances	9,280.18	9,280.18	18,495.98	39,010.98	39,650.91	1,19,778.12	2,22,900.67	5,05,964.13	91,810.35	7,129.16
Investments	26,415.43	-	-	31,247.95	-	-	-	-	-	3,570.43

viii. Registration under other regulators

The Company is not registered under any other regulator other than Reserve Bank of India.

ix. Penalties imposed by RBI and other Regulators

No penalties have been imposed by RBI during the financial year 2019-20 (FY 2018-19: Rs. Nil).

x. Disclosure on frauds pursuant to RBI Master direction

The frauds detected and reported for the year amounted to Rs. 116.24 lakh (FY 2018-19: Rs. Nil).

xi. Details of financing of parent company products

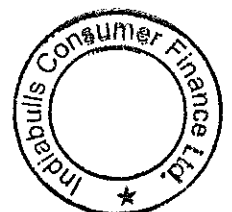
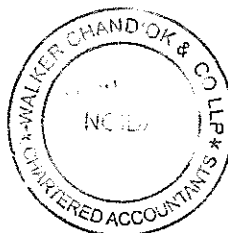
There is no financing during the current year.

xii. Details of Single Borrower Limits (SBL) / Group Borrower Limits (GBL) exceeded

The Company has not exceeded the single borrower limit as set as Reserve Bank of India.

xiii. Draw down from reserves

The Company has made no drawdown from reserves.



INDIABULLS CONSUMER FINANCE LIMITED

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

xiv. Provision and contingencies

Break up of 'Provisions and Contingencies shown under the head expenditure in statement of profit and loss	For the year ended 31 March 2020	For the year ended 31 March 2019
Provision for depreciation on investment	-	-
Provision towards non-performing assets	(146.39)	5,614.46
Provision made towards income tax [net of advance tax]	-	-
Other provision and contingencies (with details)		
i) Provision for compensated absences	592.71	157.15
ii) Provision for gratuity	670.37	247.32
Provision for other assets	1,915.71	-
Provision for Standard assets	40,629.17	5,371.32

xv. Concentration of advances, exposures & NPA's *

a. Concentration of advances

Particulars	As at 31 March 2020	As at 31 March 2019
Total advances to twenty largest borrowers*	76,241.05	56,318.74
Percentage of advances to twenty largest borrowers to total advances of the NBFC□	16.19%	5.30%

* as per contractual receivables at balance sheet date.

b. Concentration of exposures

Particulars	As at 31 March 2020	As at 31 March 2019
Total exposures to twenty largest borrowers*	76,241.05	56,318.74
Percentage of exposures to twenty largest borrowers to total exposure of the NBFC on borrowers	16.19%	5.30%

* as per contractual receivables as per balance sheet date.

c. Concentration of NPA's

Particulars	As at 31 March 2020	As at 31 March 2019
Total exposure to top four NPA accounts*	1,241.15	1,117.47

* as per contractual receivables as per balance sheet date.

d. Sector-wise distribution of NPA's*

Particulars	Percentage of NPA's to total advances	
	As at 31 March 2020	As at 31 March 2019
Agriculture & allied activities	-	-
MSME	0.22%	-
Corporate borrowers	0.19%	0.06%
Services	0.01%	0.05%
Unsecured personal loans	0.24%	0.14%
Auto loans	-	-
Other personal loans	0.08%	-

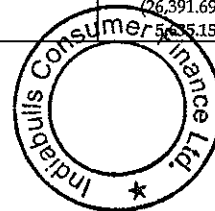
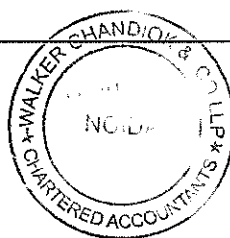
* as per contractual receivables as per balance sheet date.

xvi. Movement of NPAs

Particulars	As at 31 March 2020	As at 31 March 2019
a. Net NPAs to Net Advances (%)	0.74%	0.25%
b. Movement of NPAs (Gross)		
i) Opening balance	8,412.93	207.97
ii) Addition during the year	73,021.46	9,708.98
iii) Reductions during the year	(72,339.47)	(1,504.02)
iv) Closing balance	9,094.92	8,412.93
c. Movement of Net NPAs		
i) Opening balance	2,631.39	40.89
ii) Addition during the year	46,776.16	3,762.23
iii) Reductions during the year	(45,947.78)	(1,171.73)
iv) Closing balance	3,459.77	2,631.39
d. Movement of provisions for NPA (excluding provisions on standard assets)□		
i) Opening balance	5,781.54	167.08
ii) Provision made during the year	26,245.30	5,946.75
iii) Write off of excess provisions	(26,391.69)	(332.29)
iv) Closing balance	5,635.15	5,781.54

xvii. Overseas assets

There are no overseas asset owned by the Company.



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(All amounts are in Indian Rupees in lakh unless stated otherwise)

xviii. Off-balance Sheet SPVs sponsored

There are no SPVs which are required to be consolidated as per accounting norms.

xix. The Company has been assigned the following credit ratings:

Instruments	As at 31 March 2020	As at 31 March 2019
Non-convertible debentures - Public issue	CARE AA-; Stable [Double A Minus; Outlook: Stable] BWR AA (Stable)	CARE AA; Stable [Double A; Outlook: Stable] BWR AA+/Stable
Non-convertible debentures - Privately issue	CARE AA-; Stable [Double A Minus; Outlook: Stable]	CARE AA; Stable [Double A; Outlook: Stable]
Commercial papers	CARE A1+ (A One plus) BWR A1+ CRISIL A1+ (Withdrawn) ICRA A1+ (Withdrawn)	CARE A1+ (A One plus) BWR A1+ CRISIL A1+ ICRA A1+
Bank borrowings	CARE AA-; Stable / CARE A1+ [Double A Minus; Outlook: Stable/A One Plus] BWR AA (Stable)	CARE AA; Stable/Care A1+ [Double A; Outlook: Stable/A One Plus] BWR AA+/Stable

xx. Customer complaints

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
No. of complaints pending at the beginning of the year	3.00	1.00
No. of complaints received during the year	1,019.00	211.00
No. of complaints redressed during the year	1,003.00	209.00
No. of complaints pending at the end of the year	19.00	3.00

Note - 55

Moratorium in accordance with the Reserve Bank of India (RBI) guideline and estimation uncertainty relating to COVID-19 global health pandemic

The Novel Corona virus (COVID-19) pandemic (declared as such by the World Health Organisation on 11 March 2020), has contributed to a significant decline and volatility in global and Indian markets, and a significant decrease in economic activity. On 24 March 2020, the Government of India announced a nation-wide lockdown till 14 April 2020, which was extended till 31 May 2020 through subsequent announcements, to contain the spread of the virus. This has led to significant disruptions and dislocations for individuals and businesses, impacting Company's regular operations and financial metrics including lending and collection activities due to inability of employees to physically reach borrowers.

Further, pursuant to the Reserve Bank of India's circulars dated 27 March 2020 and 23 May 2020 allowing lending institutions to offer moratorium to borrowers on payment of instalments falling due between 1 March 2020 and 31 August 2020, the Company has extended/will be extending moratorium to its borrowers in accordance with its Board approved policy. In management's view, providing moratorium to borrowers based on RBI directives, by itself is not considered to result in a significant increase in credit risk ("SICR") for such borrowers. Accordingly, considering the unique and widespread impact of COVID-19 pandemic, the Company has estimated expected credit losses based on the information available at this point in time to reflect, among other things, the deterioration in the macro-economic factors. Given the dynamic nature of the pandemic situation, these estimates are based on early indicators, subject to uncertainty and may be affected by the severity and duration of the pandemic, including governmental and regulatory measures and its effect on economy, the business and the financial metrics of the Company. The actual outcome could be different from that estimated by the Company.

In addition, the Company has also evaluated impact of this pandemic on impairment of financial assets based on internal and external information available upto the date of approval of financial statements. However, the impact assessment of COVID-19 is an ongoing process and the Company will continue to monitor any material changes in the future conditions.

COVID 19 Regulatory Package

Asset classification and provisioning for the year ended 31 March 2020 pursuant to the notification Vide:DOR.No.BF.BC.63/21.04.048/2019-20 dated 17 April 2020:

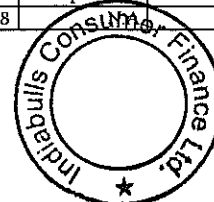
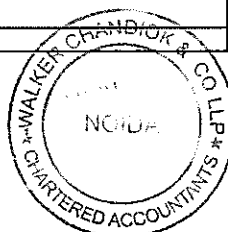
Particulars	Amount
(i) Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of abovementioned the RBI circular.	8,942.54
(ii) Respective amount where asset classification benefits is extended	8,942.54
(iii) Provisions made during the quarter ended 31 March 2020 in terms of paragraph 5 of the above circular	894.25
(iv) Provisions adjusted during the respective accounting periods against slippages and the residual provisions in terms of paragraph 6	-

Note - 56

Additional disclosures in terms of Appendix I of Liquidity Risk Management Framework RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 04 November 2019:

i. Funding Concentration based on significant counterparty

Sr. no.	Number of Significant Counterparties	Amount	% of total deposits	% of total liabilities
1	12	3,91,012.98		73.69%



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(All amounts are in Indian Rupees in lakh unless stated otherwise)

Notes:

- A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

ii. Top 20 large deposits

There is no deposit outstanding as at 31 March 2020.

iii. Top 10 borrowings

Amount	% of total borrowings
3,77,789.54	95.49%

iv. Funding Concentration based on significant instrument/product

Sr. no.	Particulars	Amount	% of total liabilities
1	Non-convertible debentures	79,677.24	15.02%

Notes:

- A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

v. Stock Ratios:**a. Commercial papers**

There is no commercial papers outstanding as at 31 March 2020.

b. Non-convertible debentures (original maturity of less than one year)

There is no Non-convertible debentures with original maturity of less than one year outstanding as at 31 March 2020.

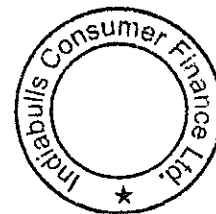
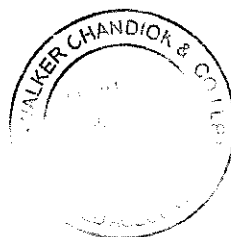
c. Other short-term liabilities

Particulars	% of total public funds	% of total liabilities	% of total assets
Loans repayable on demand from banks	3.15%	0.47%	0.26%

vi. Institutional set-up for liquidity risk management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held as warranted from time to time. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held as warranted from time to time.

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INDIABULLS CONSUMER FINANCE LIMITED

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 57

Employee stock option schemes:

The employees of the Company have been granted option as per the existing schemes of Indiabulls Ventures Limited ('Holding Company'). On exercise, the employees will be allotted shares of the Holding Company. The Company has accounted for charge related to its employees amounting to Rs. 1,504.21 lakh (31 March 2019 Rs. 3,453.69 lakh) with a corresponding credit to equity.

a) Employees Stock Option Scheme - 2008

During the financial year ended 31 March 2009, the Indiabulls Ventures Limited ('The Holding Company') had issued an Employee Stock Option Scheme titled "Employee Stock Option Scheme - 2008" in accordance with the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("SEBI Guidelines").

Under the Scheme, the Holding Company was authorised to grant 20,000,000 Equity settled options to eligible employees including its directors (other than promoter directors) and employees of its subsidiary companies including their directors. All options under the Scheme are exercisable for Equity Shares of the Holding Company. Employees covered by the plan were granted an option to purchase shares of the Holding Company subject to the requirements of vesting.

A Compensation Committee constituted by the Board of Directors of the Holding Company administered the plan. The Compensation Committee had granted, under the "Indiabulls Ventures Limited Employees Stock Option Scheme - 2008" ("IBVL ESOP - 2008"), 20,000,000 stock options representing an equal number of equity shares of face value Rs. 2 each in the Holding Company, to the eligible employees, at an exercise price of Rs. 17.40 per equity share, being the latest available closing market price on the National Stock Exchange of India Limited, as on 23 January 2009. The stock options so granted, shall vest in the eligible employees over a period of 10 years beginning from 25 January 2010 being the first vesting date. The options granted under each of the slabs, can be exercised by the grantees within a period of five years from the relevant vesting date.

Further, during the year ended 31 March 2017, the Compensation Committee had regranted 9,700,000 stock options (surrendered and lapsed options eligible for regrant) representing an equal number of equity shares of face value Rs. 2 each in the Holding Company, to the eligible employees, at an exercise price of Rs. 24.15 per equity share, being the latest available closing market price on the National Stock Exchange of India Limited, as on 30 June 2016. The stock options so granted, shall vest uniformly over a period of 5 years beginning from 02 July 2017, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

Further, during the year ended 31 March 2018, the Compensation Committee had regranted 500,000 and 880,600 stock options (surrendered and lapsed options eligible for regrant) representing an equal number of equity shares of face value Rs. 2 each in the Holding Company, to the eligible employees, at an exercise price of Rs. 219.65 per equity share and Rs. 254.85 per equity share, respectively, being the latest available closing market price on the National Stock Exchange of India Limited, as on 31 August 2017 and 23 March 2018, respectively. The stock options so granted, shall vest uniformly over a period of 5 years beginning from 2 September 2018 and 25 March 2019 respectively, the first vesting date, the options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

	IBVL ESOP - 2008			
	2,00,00,000 Options	97,00,000 Options Regranted	5,00,000 Options Regranted	8,80,600 Options Regranted
1 Exercise price (Rs.)	17.40	24.15	219.65	254.85
2 Expected volatility *	79.00%	42.97%	46.70%	47.15%
3 Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil
4 Option Life (weighted average) (in years)	11.00	6.00	6.00	6.00
5 Expected Dividends yield	22.99%	10.82%	1.27%	1.10%
6 Risk Free Interest rate	6.50%	7.45%	6.54%	7.56%
7 Fair value of the options **	0.84	4.31	106.31	130.05

* The expected volatility was determined based on historical volatility data.

** Fair value of the options is computed using the Black Scholes Merton Option Pricing Model and is certified by an independent firm of Chartered Accountants.

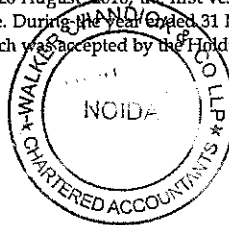
b) Employees Stock Option Scheme - 2009

During the financial year ended 31 March 2010, the Holding Company had issued Employee Stock Option Scheme titled as 'Indiabulls Ventures Limited Employees Stock Option Scheme - 2009' ("IBVL ESOP - 2009"). Under the Scheme, the Holding Company was authorised to grant 20,000,000 options, representing equivalent number of equity shares of face value Rs. 2 each in one or more tranches at a price and on such terms and conditions as may be decided by the Compensation Committee, to the eligible employees of the Holding Company and its subsidiaries.

During the year ended 31 March 2010, the Compensation Committee constituted granted 10,000,000 stock options representing an equal number of Equity Shares of face value Rs. 2 each in the Holding Company, at an exercise price of Rs. 35.25 per equity share, being the latest available closing market price on the National Stock Exchange of India Limited, as on 30 November 2009. The stock options so granted, shall vest uniformly over 10 years beginning from 2 December 2010 being the first vesting date. The option granted under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

During the year ended 31 March 2011, the Compensation Committee had further granted 2,050,000 Stock Options representing an equal number of equity shares of face value Rs. 2 each in the Holding Company, at an exercise price of Rs. 31.35 per equity share, being the latest available closing market price on the National Stock Exchange of India Limited, as on 09 April 2010. As the options have been granted at intrinsic value. The Stock Options so granted, shall vest uniformly over 10 years beginning from 13 April 2011 being the first vesting date. The options granted under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

During the year ended 31 March 2016, the Compensation Committee had regranted under the IBVL ESOP - 2009 10,000,000 stock options (surrendered and lapsed options eligible for regrant) representing an equal number of equity shares of face value of Rs. 2 each in the Holding Company, at an exercise price of Rs. 27.45 per equity share, being the latest available closing market price on the National Stock Exchange of India Limited, as on 24 August 2015. The stock options so granted, shall vest uniformly over a period of 5 years beginning from 26 August 2016, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date. During the year ended 31 March 2017, the Holding Company had received the request from various option holders to surrender 10,000,000 stock options, which was accepted by the Holding Company.



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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 57 (continued)

During the year ended 31 March 2017, the Compensation Committee had further regranted 9,500,000 and 10,000,000 Stock Options (surrendered and lapsed options eligible for regrant) representing an equal number of equity shares of face value Rs. 2 each in the Holding Company, to the Eligible Employees, at an exercise price of Rs. 16 per equity share and Rs. 24.15 per equity share, respectively, being the latest available closing market price on the National Stock Exchange of India Limited, as on 11 May 2016 and 30 June 2016. As the options have been granted at intrinsic value. The stock options so granted, shall vest uniformly over a period of 5 years beginning from 13 May 2017 and 02 July 2017 respectively, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date. During the year ended 31 March 2017, the Holding Company has received the request from various option holders to surrender 10,000,000 stock options, which was accepted by the Holding Company.

During the year ended 31 March 2018, the Compensation Committee had regranted 10,000,000 and 669,400 Stock Options (surrendered and lapsed options eligible for regrant) representing an equal number of Equity Shares of face value Rs. 2 each in the Holding Company, to the Eligible Employees, at an exercise price of Rs. 219.65 per equity share and Rs. 254.85 per equity share, respectively, being the latest available closing market price on the National Stock Exchange of India Limited, as on 31 August 2017 and 23 March 2018 respectively. As the options have been granted at intrinsic value. The stock options so granted, shall vest uniformly over a period of 5 years beginning from 2 September 2018 and 25 March 2019 respectively, the first vesting date, the options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

c) Indiabulls Ventures Limited - Employee Stock Benefit Scheme 2019 ("Scheme").

The Scheme has been adopted and approved pursuant to: (a) a resolution of the Board of Directors of the Holding Company at its meeting held on 22 October 2019; and (b) a special resolution of the shareholders' of the Company passed through postal ballot on 4 December 2019, result of which were declared on 5 December 2019.

This Scheme comprises:

- Indiabulls Ventures Limited Employees Stock Option Plan 2019 ("ESOP Plan 2019")
- Indiabulls Ventures Limited Employees Stock Purchase Plan 2019 ("ESP Plan 2019")
- Indiabulls Ventures Limited Stock Appreciation Rights Plan 2019 ("SARs Plan 2019")

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "SBEB Regulations"), the Company has set up Indiabulls Ventures Limited - Employees Welfare Trust (Trust) for the purpose of implementation of the Scheme as per the terms of the respective Schemes as aforesaid. The Trust, in compliance with the "SBEB Regulations", is authorised to purchase upto an aggregate of 10,500,000 (One Crore Five Lakhs) fully paid-up equity shares, being not more than 2% (Two percent) of the fully paid-up equity share capital of the Company as on the date of approval of shareholders, from the secondary market.

d) Indiabulls Ventures Limited - Employee Stock Benefit Scheme 2020 ("Scheme").

The Scheme has been adopted and approved pursuant to: (a) a resolution of the Board of Directors of the Holding Company at its meeting held on 23 January 2020; and (b) a special resolution of the shareholders' of the Company passed through postal ballot on 20 March 2020, result of which were declared on 21 March 2020.

This Scheme comprises:

- Indiabulls Ventures Limited Employees Stock Option Plan 2020 ("ESOP Plan 2020")
- Indiabulls Ventures Limited Employees Stock Purchase Plan 2020 ("ESP Plan 2020")
- Indiabulls Ventures Limited Stock Appreciation Rights Plan 2020 ("SARs Plan 2020")

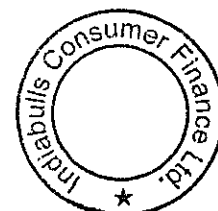
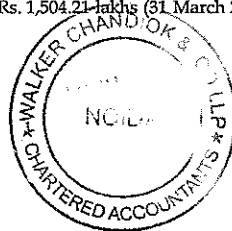
In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "SBEB Regulations"), the Company has set up Indiabulls Ventures Limited - Employees Welfare Trust (Trust) for the purpose of implementation of the Scheme as per the terms of the respective Schemes as aforesaid. The Trust, in compliance with the "SBEB Regulations", is authorised to purchase upto an aggregate of 93,00,000 (Ninety Three Lakhs) fully paid-up equity shares, being not more than 2% (Two percent) of the fully paid-up equity share capital of the Company as on the date of approval of shareholders, from the secondary market.

		IBVL ESOP - 2009						
		1,00,00,000	20,50,000	1,00,00,000	95,00,000	1,00,00,000	1,00,00,000	6,69,400
		Options	Options	Options	Options	Options	Options	Options
				Regranted & Surrendered	Regranted	Regranted & Surrendered	Regranted	Regranted
1.	Exercise price (Rs.)	35.25	31.35	27.45	16.00	24.15	219.65	254.85
2.	Expected volatility *	0.77	0.4896	0.3859	0.4074	0.4297	0.467	0.4715
3.	Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4.	Option life (weighted average)	10 Years	10 Years	7 Years	6 Years	6 Years	6 Years	6 Years
5.	Expected dividends yield	13.48%	6.86%	9.16%	16.33%	10.82%	1.27%	1.10%
6.	Risk free interest rate	7.50%	8.05%	6.50%	7.45%	7.45%	6.54%	7.56%
7.	Fair value of the options (Rs.)**	6.48	9.39	4.77	1.38	4.31	106.31	130.05

* The expected volatility was determined based on historical volatility data.

** Fair value of the options is computed using the Black Scholes Merton Option Pricing Model and is certified by an independent firm of Chartered Accountants.

The Company has recognised employee stock compensation expense of Rs. 1,504.21 lakhs (31 March 2019 Rs. 3,453.69 lakhs) in the statement of Profit and loss for the year ended 31 March 2020.



INDIABULLS CONSUMER FINANCE LIMITED

(Formerly known as IVL Finance Limited)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

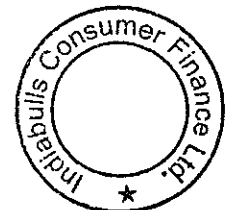
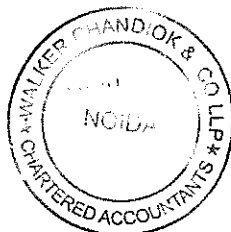
Note - 57 (continued)

The other disclosures in respect of the above stock option schemes are as under:

	IBVL ESOP - 2008			
	20,000,000	9,700,000 (Regrant)	500,000 (Regrant)	880,600 (Regrant)
Total options under the scheme (Nos.)	20,000,000			
Options granted (Nos.)				
Vesting period and percentage	Ten years, 1st Year - 15% 2nd year to 9th year - 10% each year 10th year - 5%	Uniformly over a period of five years	Uniformly over a period of five years	Uniformly over a period of five years
Vesting date	January 25th each year, commencing 25 January 2010	July 2nd each year, commencing 2 July 2017	September 2nd each year, commencing 2 September 2018	March 25th each year, commencing 25 March 2019
Exercise price (Rs.)	17.40	24.15	219.65	254.85
Outstanding as at 1 April 2018 (Nos.)	12,77,866	97,00,000	5,00,000	8,80,600
Outstanding as at April-18 of the year (Nos.)	12,77,866	97,00,000	-	-
Granted/ regranted during the year (Nos.)	-	-	-	-
Exercised during the year (Nos.)	-	-	-	-
Expired during the year (Nos.)	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	4,06,950	-	-	1,87,000
Outstanding as at 31 March 2019 (Nos.)	8,70,916	97,00,000	5,00,000	6,93,600
Vested and exercisable as at 31 March 2019 (Nos.)	8,70,916	38,80,000	1,00,000	1,38,720
Granted/ regranted during the year (Nos.)	-	-	-	-
Exercised during the year (Nos.)	8,70,916	50,50,800	-	25,800
Expired during the year (Nos.)	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	10,000	5,00,000	1,52,000
Outstanding as at 31 March 2020 (Nos.)	-	46,39,200	-	5,15,800
Vested and exercisable at the end of the year (Nos.)	-	7,69,200	-	1,92,640
Remaining contractual life (weighted months)	-	66	-	73

- Weighted average exercise price of share during the year ended 31 March 2020: Rs 198.22 (31 March 2019: not applicable).

	IBVL ESOP - 2009						
	20,000,000						
Total options under the Scheme (Nos.)	20,000,000						
Options granted (Nos.)	1,00,00,000	20,50,000	10,00,000 (Regrant & Surrendered)	9,50,000 (Regrant)	10,00,000 (Regrant & Surrendered)	10,00,000 (Regrant)	6,69,400 (Regrant)
Vesting period and percentage	Uniformly over a period of ten years	Uniformly over a period of ten years	Uniformly over a period of five years	Uniformly over a period of five years	Uniformly over a period of five years	Uniformly over a period of five years	Uniformly over a period of five years
Vesting date	December 2nd each year, commencing 2 December 2010	April 13th each year, commencing 13 April 2011	August 26th each year, commencing 26 August 2016	May 13th each year, commencing 13 May 2017	July 2nd each year, commencing 2 July 2017	September 2nd each year, commencing 2 September 2018	March 25th each year, commencing 25 March 2019
Exercise price (Rs.)	35.25	31.35	27.45	16.00	24.15	219.65	254.85
Outstanding as at 1 April 2018 (Nos.)	-	1,50,000	-	71,52,500	-	99,70,000	6,69,400
Outstanding as at April-18 of the year (Nos.)	-	1,50,000	-	71,52,500	-	-	-
Granted/ regranted during the year (Nos.)	-	-	-	-	-	-	-
Options vested during the year (Nos.)*	-	50,000	-	18,30,600	-	-	-
Exercised during the year (Nos.)	-	-	-	-	-	-	-
Expired during the year (Nos.)	-	-	-	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-	6,64,800	-	90,000	4,50,000



INDIABULLS CONSUMER FINANCE LIMITED

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

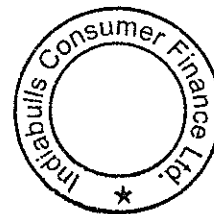
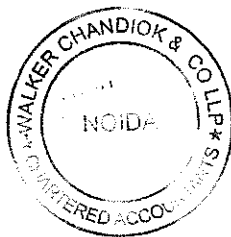
Note - 57 (continued)

Outstanding as at 31 March 2019 (Nos.)	-	1,50,000	-	64,87,700	-	98,80,000	2,19,400
Exercisable as at 31 March 2019 (Nos.)	-	50,000	-	16,76,300	-	19,76,000	43,880
Granted/ re-granted during the year (Nos.)	-	-	-	-	-	-	-
Exercised during the year (Nos.)	-	1,00,000	-	32,25,100	-	8,52,600	40,000
Expired during the year (Nos.)	-	-	-	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-	1,65,000	-	1,95,500	-
Outstanding as at 31 March 2020 (Nos.)	-	50,000	-	30,97,600	-	88,31,900	1,79,400
Exercisable at the end of the year (Nos.)	-	-	-	-	-	30,34,400	47,760
Remaining contractual life (weighted months)	-	60.00	-	67.00	-	67.00	77.00

* Net of options surrendered before vesting.

- Weighted average exercise price of share during the year ended 31 March 2020: Rs 187.29 (31 March 2019: not applicable).

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INDIABULLS CONSUMER FINANCE LIMITED

(Formerly known as IVL Finance Limited)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 58

As at 31 March 2020, there were no dues required to be credited to the Investor Education and Protection Fund under Section 124(5) of the Act. (31 March 2019: Rs. Nil).


In terms of our report of even date attached.

For Walker Chandiook & Co LLP

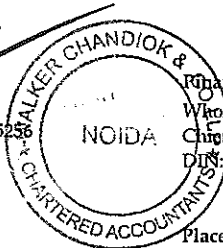
Chartered Accountants


Firm's registration no. : 001076N/N500013


For and on behalf of the board of directors


Lalit Kumar
Partner

Membership No.: 095236




Shank Jayant Shah
Whole Time Director &
Chief Executive Officer
DIN: 07859798


Nareed Ahmed
Director
DIN: 03496241


Rajeev Lohan Agrawal
Chief Financial Officer


Manish Rustagi
Company Secretary

Place: Noida
Date: 25 June 2020

Place: Mumbai
Date: 25 June 2020

Place: Gurugram
Date: 25 June 2020

