

INDEPENDENT AUDITOR'S REPORT

To the Members of

Indiabulls Securities Limited

(formerly Indiabulls Commodities Limited)

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of Indiabulls Securities Limited (formerly Indiabulls Commodities Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its loss and other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 independence requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS Financial Statements.

Information Other than the Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report, but does not include the Ind AS Financial Statements and our auditor's report thereon. The Board's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS 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 Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Management's Responsibility for the Ind AS Financial Statements

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 Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 the 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 SAs 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 Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS 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 controls 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 system 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 Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the ‘Annexure A’, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account;
- (d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- (g) In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provided any remuneration to its directors during the year ended March 31, 2019;
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There here were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For A Sardana & Co.
Chartered Accountants
Firm Registration No. 021890N

Ajay Sardana
Partner
Membership No.089011
New Delhi, April 24, 2019

Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Securities Limited (formerly Indiabulls Commodities Limited) for the year ended March 31, 2019

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

- (i) In respect of its Fixed Assets:
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) These fixed assets have been physically verified by the management at reasonable intervals in accordance with a regular programme of verification. According to the information and explanation given to us, no material discrepancies were noticed on such verification;
 - (c) The Company does not own immovable properties.
- (ii) The Company does not have any inventories; accordingly, the provisions of clause 3 (ii) of the Order are not applicable to the Company.
- (iii) According to information and explanations given to us, the Company has not granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) According to information and explanations given to us, the Company has not entered into transactions in respect of loans, investments, guarantees and security, covered under section 185 and 186 of the Companies Act, 2013.
- (v) According to information and explanations given to us, the Company has not accepted any deposits during the year. Accordingly, the provisions of clause 3 (v) are not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 Companies Act, 2013 to the products/services of the Company. Accordingly, the provisions of clause 3 (vi) are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities, to the extent applicable to it, though there has been slight delay in deposit of provident fund and income tax, which has been deposited by the Company along with interest. There are no arrears of outstanding statutory dues as at March 31, 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the Company did not have any dues of income tax or sales tax or goods and service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.

- (viii) According to the information and explanations given to us, the Company did not have any dues in respect of loans or borrowing to a financial institution, or bank, government or dues to debenture holders.
- (ix) According to the information and explanations given to us, the Company has not raised moneys raised by way of public issue, follow-on offer (including debt instruments) and term loans, during the year under audit.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers/ employees has been noticed or reported during the year;
- (xi) According to the information and explanations given to us, the Company has not paid or provided any managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 to the extent applicable and the details have been disclosed in Note 43 to the Ind AS Financial Statements as required by the accounting standards and Companies Act, 2013.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For A Sardana & Co.
Chartered Accountants
Firm Registration No. 021890N

Ajay Sardana
Partner
Membership No.089011
New Delhi, April 24, 2019

Annexure B to the Independent Auditor's Report of even date on the Ind AS Financial Statements of Indiabulls Securities Limited (formerly Indiabulls Commodities Limited) for the year ended March 31, 2019

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Indiabulls Securities Limited (formerly Indiabulls Commodities Limited) ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Ind AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting with reference to these Ind AS Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Ind AS Financial Statements and such internal financial controls over financial reporting with reference to these Ind AS Financial Statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A Sardana & Co.
Chartered Accountants
Firm Registration No. 021890N

Ajay Sardana
Partner
Membership No.089011
New Delhi, April 24, 2019

Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Balance sheet as at 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

	Note No.	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
I. ASSETS				
(1) Financial assets				
(a) Cash and cash equivalents	3	42.49	528.24	1,615.09
(b) Bank balance other than cash and cash equivalents	4	470.41	266.42	267.39
(c) Receivables				
(i) Trade receivables	5	0.23	28.71	29.05
(ii) Other receivables	6	1,108.37	165.38	257.53
(d) Investments	7	-	19.00	249.43
(e) Other financial assets	8	324.43	112.93	122.93
		1,945.93	1,120.68	2,541.42
(2) Non-financial assets				
(a) Current tax assets (net)	9	5.13	21.01	21.01
(b) Deferred tax assets (net)	10	694.02	697.12	661.37
(c) Property, plant and equipment	11	-	-	-
(d) Other intangible assets	12	0.27	0.86	1.46
(e) Other non-financial assets	13	22.94	1,120.61	793.10
		722.36	1,839.60	1,476.94
TOTAL ASSETS		2,668.29	2,960.28	4,018.36
II. LIABILITIES AND EQUITY				
Liabilities				
(1) Financial liabilities				
(a) Payables				
Trade payables	14			
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2.04	1.88	0.28
(b) Borrowings (other than debt securities)	15	109.00	-	989.00
(c) Other financial liabilities	16	213.12	304.99	181.66
		324.16	306.87	1,170.94
(2) Non-financial Liabilities				
(a) Current tax liabilities (net)	17	-	1.00	316.72
(b) Provisions	18	0.27	39.46	34.76
(c) Other non-financial liabilities	19	29.60	26.25	50.61
		29.87	66.71	402.09
(3) Equity				
(a) Equity share capital	20	60.00	60.00	60.00
(b) Other equity	21	2,254.26	2,526.70	2,385.33
		2,314.26	2,586.70	2,445.33
TOTAL LIABILITIES AND EQUITY		2,668.29	2,960.28	4,018.36

Summary of significant accounting policies 2
The accompanying notes are an integral part of these financial statements
This is the Balance Sheet referred to in our report of even date.

For A Sardana & Co.
Chartered Accountants
Firm Registration No. 021890N

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No. 089011
New Delhi, 24 April 2019

Pankaj Sharma
Director
DIN: 00472879
New Delhi, 24 April 2019

Prasenjeet Mukherjee
Director
DIN: 07629972

Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Statement of profit and loss for the year ended 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

	Note No.	For the year ended 31 March 2019	For the year ended 31 March 2018
I. Revenue from operations			
Interest income	22	49.66	22.54
Fees and commission income	23	106.56	123.80
Net gain on fair value changes	24	0.09	360.00
Sale of services	25	21.87	40.25
Total revenue from operations		178.18	546.59
II. Other income	26	0.55	36.32
III. Total revenue (I + II)		178.73	582.91
IV. Expenses :			
Finance costs	27	4.77	63.26
Fees and commission expense	28	23.69	30.28
Impairment on financial instruments	29	214.93	5.00
Employee benefits expense	30	169.40	312.34
Depreciation and amortisation expense		0.59	0.60
Other expenses	31	43.09	31.33
Total expenses		456.47	442.81
V. Profit/(loss) before exceptional items and tax (IV-III)		(277.74)	140.10
VI. Exceptional items			
VII. Profit/(loss) before tax (V-VI)		(277.74)	140.10
VIII. Tax expense/(benefit) :	32		
(1) Current tax		(0.83)	36.55
(2) Deferred tax		1.54	(35.41)
		0.71	1.14
IX. Profit/ loss for the year from continuing operations (VII-VIII)		(278.45)	138.96
X. Profit/(loss) from discontinued operations		-	-
XI. Tax expense of discontinued operations		-	-
XII. Profit/(loss) from discontinued operations after tax (X-XI)		-	-
XIII. Profit/(loss) for the year (IX+XII)		(278.45)	138.96
XIV. Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
Re-measurement gain/(loss) on defined benefit plans		5.62	(1.23)
Income tax relating to items that will not be reclassified to profit and loss		(1.56)	0.34
Subtotal (A)		4.06	(0.89)
(B) Items that will be reclassified to profit or loss		-	-
Subtotal (B)		-	-
Total Other comprehensive income/(loss) (A+B)		4.06	(0.89)
XV. Total comprehensive income/(loss) for the year (XIII+XIV)		(274.39)	138.07

Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Statement of profit and loss for the year ended 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

	Note No.	<u>For the year ended 31 March 2019</u>	<u>For the year ended 31 March 2018</u>
XVI. Earnings per equity share for continuing operations:	33		
(1) Basic (in Rs.)		(46.41)	23.16
(2) Diluted (in Rs.)		(46.41)	23.16
XVII. Earnings per equity share for discontinued operations:	33		
(1) Basic (in Rs.)		-	-
(2) Diluted (in Rs.)		-	-
XVIII. Earnings per equity share for continuing & discontinued operations:	33		
(1) Basic (in Rs.)		(46.41)	23.16
(2) Diluted (in Rs.)		(46.41)	23.16

Summary of significant accounting policies

2

The accompanying notes are an integral part of these financial statements

This is Statement of Profit and Loss referred to in our report of even date

For A Sardana & Co.
Chartered Accountants
Firm Registration No. 021890N

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No. 089011
New Delhi, 24 April 2019

Pankaj Sharma
Director
DIN: 00472879
New Delhi, 24 April 2019

Prasenjeet Mukherjee
Director
DIN: 07629972

Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Statement of Changes in Equity for the year ended 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

(A) Equity share capital

Particulars	Amount
Balance as at 1 April 2017	60.00
Changes in equity share capital during the year	-
Balance as at 31 March 2018	60.00
Changes in equity share capital during the year	-
Balance as at 31 March 2019	60.00

(B) Other equity

Particulars	Reserve and surplus		Total
	Share based payment reserve	Retained earnings	
Balance as at 1 April 2017	3.69	2,381.64	2,385.33
Addition during the year	3.30	-	3.30
Profit / (loss) for the year	-	138.96	138.96
Remeasurements of defined benefit plans through Other Comprehensive Income (net of tax)	-	(0.89)	(0.89)
Balance as at 31 March 2018	6.99	2,519.71	2,526.70
Addition during the year	1.95	-	1.95
Profit / (loss) during the year	-	(278.45)	(278.45)
Remeasurements of defined benefit plans through Other Comprehensive Income (net of tax)	-	4.06	4.06
Balance as at 31 March 2019	8.94	2,245.32	2,254.26

Summary of significant accounting policies

Refer Note: 2

The accompanying notes are an integral part of these financial statements

This is the Statement of Changes in Equity referred to in our report of even date

For A Sardana & Co.
Chartered Accountants
Firm Registration No. 021890N

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No. 089011
New Delhi, 24 April 2019

Pankaj Sharma
Director
DIN: 00472879
New Delhi, 24 April 2019

Prasenjeet Mukherjee
Director
DIN: 07629972

Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Cash Flow Statement for the year ended 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
A Cash flow from operating activities :		
Net Profit/ (loss) before tax	(277.74)	140.10
Adjustments for :		
Depreciation and amortization	0.59	0.60
Provision of gratuity and compensated absences	3.81	7.75
Bad debts / advances written off	0.90	-
Impairment loss for investments in subsidiary companies	19.00	-
Provision for doubtful debts (ECL)	27.88	5.00
Share-based payments to employees	1.95	3.30
Excess provisions for expenses written back	-	(32.07)
Gain/(loss) on Investments	-	(360.00)
Gain/(loss) on redemption of mutual funds	(0.09)	-
Interest income	(9.66)	(3.33)
Interest expenses	3.07	33.09
Operating Profit/(Loss) before working capital changes	(230.29)	(205.56)
Adjustments for changes in working capital:		
Trade receivables	0.60	0.34
Other receivables	(942.99)	87.15
Other financial assets	(211.50)	10.00
Other non-financial assets	1,096.77	(327.51)
Trade payables	0.16	1.60
Other payables	-	32.07
Other financial liabilities	(91.87)	123.33
Provisions	(37.38)	(4.28)
Other non-financial liabilities	3.35	(24.36)
Cash generated from operations	(413.15)	(307.22)
Interest received	9.66	3.33
Interest paid	(3.07)	(33.09)
Direct taxes refund/(paid) (net)	15.71	(352.27)
Net cash generated from/(used in) operating activities	(390.85)	(689.25)
B Cash flow from investing activities :		
Movement in other bank balances	(203.99)	0.97
Redemption / sale of investments	-	590.43
Redemption of units of mutual funds (net)	0.09	-
Net cash generated from/ (used in) investing activities	(203.90)	591.40
C Cash flow from financing activities		
Proceeds from/(Repayment of) short term borrowings (net)	109.00	(989.00)
Net cash generated / (used) in financing activities	109.00	(989.00)
D Net (decrease)/increase in cash and cash equivalents (A+B+C)	(485.75)	(1,086.85)
E Cash and cash equivalents at the beginning of the year	528.24	1,615.09
F Cash and cash equivalents at the close of the year (D + E) (Refer Note 3)	42.49	528.24

Summary of significant accounting policies

Refer Note: 2

The accompanying notes are an integral part of these financial statements

This is the Cash Flow Statement referred to in our report of even date

For A Sardana & Co.
Chartered Accountants
Firm Registration No. 021890N

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No. 089011
New Delhi, 24 April 2019

Pankaj Sharma
Director
DIN: 00472879
New Delhi, 24 April 2019

Prasenjeet Mukherjee
Director
DIN: 07629972

Indiabulls Securities Limited**(Formerly known as Indiabulls Commodities Limited)****Notes to financial statements for the year ended 31 March 2019***(All amounts in Rs. lakhs unless stated otherwise)***1. Corporate information:**

Indiabulls Securities Limited (Formerly known as Indiabulls Commodities Limited) is a wholly owned subsidiary of Indiabulls Ventures Limited ("IVL"- the holding Company) and was incorporated on 30 October 2003 with CIN:U74999DL2003PLC122874 to operate as a commodity broker. The Company is a member of National Commodities and Derivative Exchange Limited and Multi Commodity Exchange of India Limited and is primarily engaged in commodity broking activities.

In accordance with the provisions of Section 44 and other applicable provisions of the Companies Act 1956 members of the company at their Extraordinary General Meeting held on 5 January 2009 accorded their approval to change the status of the company from a private limited company to a public limited company. The Company has since received a fresh certificate of incorporation consequent upon change of name on conversion to a public limited company from the Registrar of Companies National Capital Territory of Delhi and Haryana dated 18 February 2009 in respect of the said change. Accordingly the name of the company was changed from Indiabulls Commodities Private Limited to Indiabulls Commodities Limited.

In accordance with the approval of the members of the Company, at their Extraordinary general meeting held on February 5, 2019 and of the Registrar of Companies, National Capital Territory of Delhi & Haryana, and pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, read with applicable rules made thereunder, new set of Memorandum of Association (MOA) of the Company in accordance with Table A of Schedule I of the Companies Act, 2013, inter alia modifying sub clause 5 of the erstwhile main object of the MOA, to include main objects related to stock and share broking and other allied activities, including carrying out the activities of a Depository Participant.

In accordance with the provisions of Section 13 and other applicable provisions of the Companies Act 2013 members of the company at their Extraordinary General Meeting held on 5 February 2019 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 on conversion to a public limited company from the Registrar of Companies National Capital Territory of Delhi and Haryana dated 13 February 2019 in respect of the said change. Accordingly the name of the company was changed from Indiabulls Commodities Limited to Indiabulls Securities Limited.

The Board of Directors of the Company, at their meeting held on January 31, 2019, granted their approval for the purchase of stock broking business (both cash and derivative segments) from Indiabulls Ventures Limited, the Holding Company, for an agreed lumpsum consideration, on a going concern basis, by way of slump sale through a Business Transfer Agreement, subject to the SEBI Regulations and such other approvals, consents, permissions and sanctions as may be necessary, including but not limited to, from the Securities and Exchange Board of India and / or such other statutory and regulatory authorities as may be necessary. The Company is in the process of obtaining required approvals.

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Indiabulls Securities Limited**(Formerly known as Indiabulls Commodities Limited)****Notes to financial statements for the year ended 31 March 2019****2. Summary of significant accounting policies:****i) General information and statement of compliance with Ind AS**

These financial statements ('financial statements') of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')). The Company has uniformly applied the accounting policies during the periods presented.

For all periods up to and including the year ended 31 March 2018, the Company has prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). These financial statements for the year ended 31 March 2019 are the first which the Company has prepared in accordance with Ind AS. For the purpose of corresponding figures, set of financial statements for the year ended 31 March 2018 and opening balance sheet as at 1 April 2017 are also prepared under Ind AS.

The financial statements for the year ended 31 March 2019 were authorized and approved for issue by the Board of Directors on 24 April 2019.

ii) Basis of preparation

These financial statements have been prepared in Indian Rupee which is the functional currency of the Company.

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows have been prepared under indirect method.

iii) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Group has not applied as they are effective from 1 April 2019:

Ind AS - 116

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116, effective annual reporting period beginning 1 April 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (1 April 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at 1 April 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

iii) Recent accounting pronouncements (continued)

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

iv) Use of estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets and fair value measurement of financial instruments, these are discussed below. Key sources of estimation of uncertainty in respect of revenue recognition, employee benefits and provisions and contingent liabilities have been discussed in their respective policies.

Impairment of investments in subsidiaries

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy has been explained under note 2(ix).

Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained under note 2(x).

v) Revenue recognition:

Effective 1 April 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. There is no impact of the adoption of the standard on the financial statements of the Company.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

Indiabulls Securities Limited**(Formerly known as Indiabulls Commodities Limited)****Notes to financial statements for the year ended 31 March 2019****vi) Leases****Operating lease**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

vii) Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their nature.

viii) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Indiabulls Securities Limited**(Formerly known as Indiabulls Commodities Limited)****Notes to financial statements for the year ended 31 March 2019****ix) Financial instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

x) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

xi) Investment in subsidiaries

Investment in subsidiaries are measured at cost less impairment loss, if any.

Indiabulls Securities Limited**(Formerly known as Indiabulls Commodities Limited)****Notes to financial statements for the year ended 31 March 2019****xii) Property, plant and equipment**

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives
Computers	3 years
Furniture and fixtures	10 years
Office equipments	5 years

Assets held under finance lease are depreciated over the shorter of the lease term and their useful lives.

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

xiii) Intangible assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences which are amortised over license period which equates the useful life ranging between 2-5 years on a straight line basis over the period of its economic useful life.

xiv) Impairment**(a) Financial assets (other than at fair value)**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(b) Non-financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Indiabulls Securities Limited

(Formerly known as Indiabulls Commodities Limited)

Notes to financial statements for the year ended 31 March 2019

xv) Employee benefits

(i) Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

(ii) Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

(iii) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(iv) Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

xvi) Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

xvii) Segment reporting:

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

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Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Notes to financial statements for the year ended 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

Note - 3

Cash and cash equivalents

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Cash on hand	0.04	0.05	-
Balance with banks			
- in current accounts	42.45	528.19	1,615.09
	42.49	528.24	1,615.09

Note - 4

Bank balances other cash and cash equivalents

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Balances with banks:			
In Deposit accounts (Refer Note 35)			
- in fixed deposit accounts having original maturity of more than 12 months	-	1.00	1.00
- in fixed deposit accounts having original maturity upto twelve months	459.40	258.40	258.40
Interest accrued on fixed deposits	11.01	7.02	7.99
	470.41	266.42	267.39

Note - 5

Trade receivables

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Considered good			
- Unsecured	0.23	28.71	29.05
Credit impaired	60.14	32.26	32.26
	60.37	60.97	61.31
Less: Impairment loss allowance (refer note - 46 (b))	(60.14)	(32.26)	(32.26)
	0.23	28.71	29.05

Note - 6

Other receivables

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Considered good			
- Unsecured	1,108.37	165.38	257.53
Credit impaired	427.20	259.15	254.15
	1,535.57	424.53	511.68
Less: Impairment loss allowance (refer note - 46 (b))	(427.20)	(259.15)	(254.15)
	1,108.37	165.38	257.53

Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Notes to financial statements for the year ended 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

Note - 7

Investments

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Investment in equity instruments:			
Investments in wholly owned subsidiary companies (unquoted, At cost)			
Nil (31 March 2018 : 1,90,000, 1 April 2017: 1,90,000) equity shares of Rs. 10 each of India Ethanol and Sugar Limited (refer note - 43)	-	19.00	19.00
Nil (31 March 2018 : Nil, 1 April 2017 : 1,74,36,361) equity shares of Rs. 10 each of Positive Housings Private Limited	-	-	230.00
Other Investments (at amortised cost)			
Investment in 6 Years National Saving Certificate VIII Issue (including interest accrued thereon)	-	-	0.43
	-	19.00	249.43
Investments in India	-	19.00	249.43
Investments outside India	-	-	-
	-	19.00	249.43

Note - 8

Other financial assets

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
(a) Security deposits			
Unsecured			
(i) Deposits (including margin money) with stock exchanges			
- Considered good	322.93	112.93	122.93
(ii) Deposits with others			
- Considered good	1.50	-	-
	324.43	112.93	122.93

Note - 9

Current tax assets (net)

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Advance income tax/tax deducted at source [net of provision for tax Rs. Nil (Previous year 31 March 2018: Rs.Nil, 1 April 2017: Rs. Nil)]	5.13	21.01	21.01
	5.13	21.01	21.01

Note - 10

Deferred tax assets

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Deferred tax assets:			
Arising on account of temporary differences due to:			
Impairment loss allowance	16.73	8.97	9.97
Disallowances u/s. 43B of the Income-Tax Act, 1961	0.01	2.06	1.97
Disallowances u/s. 40A(7) of the Income-Tax Act, 1961	0.07	8.92	8.77
Difference between tax balance and book balance of fixed assets	2.14	2.43	3.10
Share based payments to employees	2.49	2.16	1.14
Minimum alternative tax credit entitlement *	672.58	672.58	636.42
	694.02	697.12	661.37

Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Notes to financial statements for the year ended 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

Movement in deferred tax balances

31 March 2019

Particulars	Balance as on 1 April 2018	Recognised in Profit and loss	Recognised in OCI	Balance as on 31 March 2019
Deferred tax assets:				
Arising on account of temporary differences due to:				
Impairment loss allowance	8.97	7.76	-	16.73
Disallowances u/s. 43B of the Income-Tax Act, 1961	2.06	(2.05)	-	0.01
Disallowances u/s. 40A(7) of the Income-Tax Act, 1961	8.92	(7.29)	(1.56)	0.07
Difference between tax balance and book balance of fixed assets	2.43	(0.29)	-	2.14
Share based payments to employees	2.16	0.33	-	2.49
Minimum alternative tax credit entitlement *	672.58	-	-	672.58
	697.12	(1.54)	(1.56)	694.02

31 March 2018

Particulars	Balance as on 1 April 2017	Recognised in Profit and loss	Recognised in OCI	Balance as on 31 March 2018
Deferred tax assets:				
Arising on account of temporary differences due to:				
Impairment loss allowance	9.97	(1.00)	-	8.97
Disallowances u/s. 43B of the Income-Tax Act, 1961	1.97	0.09	-	2.06
Disallowances u/s. 40A(7) of the Income-Tax Act, 1961	8.77	(0.19)	0.34	8.92
Differences between tax balance and book balance of fixed assets	3.10	(0.67)	-	2.43
Share based payments to employees	1.14	1.02	-	2.16
Minimum alternative tax credit entitlement *	636.42	36.16	-	672.58
	661.37	35.41	0.34	697.12

* Expiry date of minimum alternative tax credit

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
1 April 2024 - 31 March 2025	45.11	45.11	45.11
1 April 2025 - 31 March 2026	154.47	154.47	154.47
1 April 2026 - 31 March 2027	436.84	436.84	436.84
1 April 2032 - 31 March 2033	36.16	36.16	-
	672.58	672.58	636.42

Indiabulls Securities Limited

(Formerly known as Indiabulls Commodities Limited)

Notes to financial statements for the year ended 31 March 2019

(All amounts in Rs. lakhs unless otherwise stated)

Note - 11**Property, plant and equipment**

	Gross Block*				Accumulated Depreciation				Net Block
	As at 1 April 2017	Additions during the year	Sales /adjustment during the year	As at 31 March 2018	As at 1 April 2017	Depreciation during the year	Sales/adjustment during the year	As at 31 March 2018	As at 31 March 2018
Office equipment	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-

	As at 1 April 2018	Additions during the year	Sales/adjustment during the year	As at 31 March 2019	As at 1 April 2018	Depreciation during the year	Sales/adjustment during the year	As at 31 March 2019	As at 31 March 2019
	Office equipment	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-

***Deemed cost of property, plant and equipment**

Particulars	Gross block as at 1 April 2017	Accumulated depreciation as at 1 April 2017	Net block as at 1 April 2017
Computers	20.85	20.85	-
Furniture & fittings	0.42	0.42	-
Office equipment	72.91	72.91	-
	94.18	94.18	-

Indiabulls Securities Limited

(Formerly known as Indiabulls Commodities Limited)

Notes to financial statements for the year ended 31 March 2019

(All amounts in Rs. lakhs unless otherwise stated)

Note - 12

Other intangible assets

	Gross Block (at Cost)*				Accumulated Amortisation				Net Block
	As at 1 April 2017	Additions during the year	Sales/adjustment during the year	As at 31 March 2018	As at 1 April 2017	Amortisation during the year	Sales/adjustment during the year	As at 31 March 2018	As at 31 March 2018
Software	1.46	-	-	1.46	-	0.60	-	0.60	0.86
	1.46	-	-	1.46	-	0.60	-	0.60	0.86

	As at 1 April 2018	Additions during the year	Sales/adjustment during the year	As at 31 March 2019	As at 1 April 2018	Amortisation during the year	Sales/adjustment during the year	As at 31 March 2019	As at 31 March 2019
	Software	1.46	-	-	1.46	0.60	0.59	-	1.19
	1.46	-	-	1.46	0.60	0.59	-	1.19	0.27

***Deemed cost of property, plant and equipment**

Particulars	Gross block as at 1 April 2017	Accumulated amortisation as at 1 April 2017	Net block as at 1 April 2017
Software	57.24	55.78	1.46
	57.24	55.78	1.46

Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Notes to financial statements for the year ended 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

Note - 13

Other non-financial assets

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
(a) Prepaid expenses	4.18	0.66	1.15
(b) Balances with government authorities*	5.79	4.04	1.33
(c) Others (unsecured, considered good)	12.97	4.87	3.14
(d) Capital Advances	-	1,111.04	787.48
	22.94	1,120.61	793.10

* includes Rs. 3.50 lakhs (March 31, 2018: Rs. Nil, April 1, 2017: Rs. Nil) recoverable from UPVAT authorities pending assessment of liability in respect of assessment years 2013-14 and 2014-15.

Note - 14

Trade payables

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
(a) Total outstanding due to micro enterprises and small enterprises (Refer Note 39)	-	-	-
(b) Total outstanding due to creditors other than micro enterprises and small enterprises	2.04	1.88	0.28
	2.04	1.88	0.28

Note - 15

Borrowings (other than debt securities)

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
At amortised cost			
Intercorporate deposits from related parties			
- From Fellow Subsidiary Company	109.00	-	989.00
	109.00	-	989.00
Borrowings in India	109.00	-	989.00
Borrowings outside India	-	-	-
Total	109.00	-	989.00

(a) The unsecured loan from Indiabulls Distribution Services Limited is granted for a period of 24 months and carries interest at the rate of 9% per annum. The Company, may its option repay the loan before expiry.

(b) There is no default as on the Balance Sheet date in repayment of loan or interest.

Reconciliation of liabilities arising from financing activities:

The changes in the Company's liabilities arising from financing activities are as follows:

	Borrowings (other than debt securities)
Balance as at 1 April 2017	989.00
Cash flows:	
- Repayment	(3,064.00)
- Proceeds	2,075.00
Non cash:	
- Others	-
Balance as at 31 March 2018	-
Cash flows:	
- Repayment	(119.00)
- Proceeds	228.00
Non cash:	
- Others	-
Balance as at 31 March 2019	109.00

Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Notes to financial statements for the year ended 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

Note - 16

Other financial liabilities

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Margin from customers	213.12	304.99	181.36
Temporary overdrawn bank balances as per books	-	-	0.30
	213.12	304.99	181.66

Note - 17

Current tax liabilities (net)

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Provision for Taxation	-	1.00	316.72
[Net of advance tax, tax deducted at source and self assessment tax of Rs.Nil (March 31, 2018: Rs. 471.99 lakhs, April 01, 2017: Rs. 271.70 lakhs)]			
	-	1.00	316.72

Note - 18

Provisions

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
For Employee Benefits (Refer Note 40)			
Provision for Gratuity	0.25	32.05	28.39
Provision for Compensated Absences	0.02	7.41	6.37
	0.27	39.46	34.76

Note - 19

Other non-financial liabilities

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Revenue received in advance	0.32	0.63	2.29
Statutory dues payables	1.86	7.25	30.08
Expenses and others payable	27.42	18.37	18.24
	29.60	26.25	50.61

Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Notes to financial statements for the year ended 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

Note - 20

Equity share capital

	As at 31 March 2019		As at 31 March 2018		As at 01 April 2017	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Authorised						
Equity Shares of face value of Rs. 10 each	1,000,000	100.00	1,000,000	100.00	1,000,000	100.00
	1,000,000	100.00	1,000,000	100.00	1,000,000	100.00
Issued, subscribed and fully paid up						
Equity Shares of face value of Rs. 10 each fully paid up	600,000	60.00	600,000	60.00	600,000	60.00
	600,000	60.00	600,000	60.00	600,000	60.00

a. Terms/rights attached to equity shares:

(i) The Company has only one class of Equity Shares having a face value of Rs. 10 per share. Each holder of Equity Share is entitled to one vote per share.

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

b. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the financial year :

Equity shares

	As at 31 March 2019		As at 31 March 2018		As at 01 April 2017	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	600,000	60.00	600,000	60.00	600,000	60.00
Add: Shares issued during the year:	-	-	-	-	-	-
Less: Shares bought back during the year:	-	-	-	-	-	-
Outstanding at the end of year	600,000	60.00	600,000	60.00	600,000	60.00

c. Details of shareholders holding more than 5% shares and holding company:

Names of shareholders	As at 31 March 2019		As at 31 March 2018		As at 01 April 2017	
	No. of shares	Percentage	No. of shares	Percentage	No. of shares	Percentage
Equity Shares of face value of Rs. 10 each fully paid up						
The entire share capital is held by Indiabulls Ventures Limited, the holding Company and its nominees	600,000	100%	600,000	100%	600,000	100%

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

d. Employees stock option plans: (Refer Note: 48)

e. During the five years preceding the balance sheet date, the Company has not issued shares, pursuant to contract(s) without payment being received in cash or allotted as fully paid up by way of bonus issue or bought back .

Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Notes to financial statements for the year ended 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

Note - 21
Other equity

	As at 31 March 2019	As at 31 March 2018
Share based payment reserve	8.94	6.99
Retained Earnings	2,245.32	2,519.71
Total	2,254.26	2,526.70

(a) Share based payment reserve

The share based payment reserve is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in share based payment reserve are transferred to share premium/retained earnings upon exercise of stock options by employees.

(b) Retained earnings

Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.

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Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Notes to financial statements for the year ended 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

Note - 22

Interest income

	For the year ended 31 March 2019	For the year ended 31 March 2018
On financial assets measured at amortised Cost:		
Interest on deposits with banks		
- Interest on Fixed Deposits	33.37	18.79
Other interest income		
- Interest on inter-corporate deposits	9.66	3.33
- Interest on delayed payments	0.13	0.42
- Interest on income tax refund	6.50	-
Total	49.66	22.54

Note - 23

Fees and commission income

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Brokerage and other ancillary income	106.56	123.80
Total	106.56	123.80

Note - 24

Net gain/(loss) on fair value changes

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Net gain/(loss) on financial instruments at fair value through profit and loss account :-		
- Investments		
Gain/(loss) on Investments	-	360.00
- Others		
Gain/(loss) on redemption of mutual funds	0.09	-
Total Net gain/(loss) on fair value changes	0.09	360.00
Fair Value Changes		
-Realised	0.09	360.00
-Unrealised	-	-
	0.09	360.00

Note - 25

Sale of services

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Transaction and other charges	21.87	27.25
Advisory Income	-	13.00
Total	21.87	40.25

Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Notes to financial statements for the year ended 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

Note - 26

Other income

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Excess provision for expenses no longer required written back	-	32.07
Miscellaneous income	0.55	4.25
Total	0.55	36.32

Note - 27

Finance costs

	For the year ended 31 March 2019	For the year ended 31 March 2018
On financial liabilities measured at amortised Cost -		
Interest on deposits		
- Interest on inter-corporate deposits	0.68	31.15
Interest on borrowings		
- Interest on bank overdraft	1.03	-
- Bank guarantee charges	1.36	1.94
Other interest expense		
- Interest on Taxes	1.70	30.17
Total	4.77	63.26

Note - 28

Fees and commission expense

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
SEBI charges	1.01	1.48
Transaction charges	19.77	25.72
Membership fees	2.91	3.08
Total	23.69	30.28

Note - 29

Impairment on financial instruments

	For the year ended 31 March 2019	For the year ended 31 March 2018
Measured at Amortised Cost		
Others		
- Impairment loss on trade receivables (ECL)	27.88	5.00
- Impairment loss on other receivables (ECL)	168.05	-
Investments measured at cost		
- Write off / Impairment loss of investments in subsidiary company	19.00	-
Total	214.93	5.00

Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Notes to financial statements for the year ended 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

Note - 30
Employee benefits expense

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries and wages	155.33	285.38
Contribution to provident fund and other funds	8.26	15.91
Share-based payments to employees	1.95	3.30
Staff welfare expenses	0.05	-
Provision for gratuity and compensated absences	3.81	7.75
Total	169.40	312.34

Note - 31
Other expenses

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Communication Costs	1.53	1.11
Rates and taxes	0.62	0.40
Printing and stationery	0.84	2.04
Payment to Statutory Auditors *	2.47	3.17
Legal and professional charges	5.45	4.58
Insurance	0.15	0.07
Stamp duty	0.03	0.04
VSAT charges	1.26	0.54
Leased line expenses	17.31	5.22
Software expenses	11.21	13.80
Rent Expenses	0.59	-
Office maintenance	0.05	0.05
Bad debts / advances written off	0.90	-
Miscellaneous expenses	0.68	0.31
	43.09	31.33

* Auditor's remuneration includes:

as statutory auditor	1.42	1.42
for tax audit	0.60	-
for certifications	0.45	1.75

Note - 32
Tax expenses

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
A. The major components of income tax expense for the year as under:		
Income tax recognised in Statement of profit & loss -		
Current tax:		
Current tax	-	36.16
Income tax of earlier years	(0.83)	0.39
	(0.83)	36.55
Deferred tax:		
Minimum alternate tax credit entitlement	-	(36.16)
Deferred tax	1.54	0.75
	1.54	(35.41)
	0.71	1.14

Indiabulls Securities Limited**(Formerly known as Indiabulls Commodities Limited)****Notes to financial statements for the year ended 31 March 2019***(All amounts in Rs. lakhs unless otherwise stated)***Note - 32****Tax expenses (continued)****B. Reconciliation of tax expense and the accounting profit for the year as under:**

Accounting profit/ (loss) before tax	(277.74)	140.10
At India's Statutory income tax rate of 26.00% (31 March 2018: 25.75%)*	-	36.15
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Adjustment in respect of income tax of previous years	(0.83)	0.39
Provision for doubtful debts, advances and security deposits	(7.76)	0.99
Disallowances u/s. 43B of the Income-Tax Act, 1961	0.49	0.25
Disallowances u/s. 40A(7) of the Income-Tax Act, 1961	8.85	(0.14)
Difference between tax balance and book balance of fixed assets	0.29	0.68
Share based payments to employees	(0.33)	(1.02)
MAT Credit Entitlement	-	(36.16)
Total income tax expense/(credit)	0.71	1.14

Consequent to reconciliation items shown above, the effective tax rate is Nil (2017-18: 0.81%)

* calculated at the Minimum Alternate Tax (MAT) rate of 20.39% (including education cess and surcharge) for the financial year ended 31 March 2018

Note - 33**Earnings per share:**

Basic earnings per share is computed by dividing the net profit/(loss) attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share are computed using the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The number of equity shares and potential diluted equity shares are adjusted for stock split and bonus shares as appropriate.

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
a) Continuing operations		
Net Profit/(loss) for the year from continuing operations (In Rs. Lakhs)	(278.45)	138.96
Nominal value of equity shares (In Rs.)	10.00	10.00
Weighted average number of equity shares for basic earnings per share	600,000	600,000
Weighted average number of equity shares for computation of Diluted earnings per share	600,000	600,000
Basic earnings per share (In Rs.)	(46.41)	23.16
Diluted earnings per share (In Rs.)	(46.41)	23.16
b) Discontinuing operations		
Net Profit/(loss) for the year from discontinuing operations	-	-
Weighted average number of equity shares for computation of Basic EPS	600,000	600,000
Basic earnings per share (In Rs.)	-	-
Weighted average number of equity shares for computation of Diluted EPS	600,000	600,000
Diluted earnings per share (In Rs.)	-	-

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Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Notes to financial statements for the year ended 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

Note - 34

The Company has not entered into any derivative instruments during the year. There are no foreign currency exposures as at 31 March 2019 (31 March 2018: Rs. Nil, 01 April 2017: Rs. Nil)

Note - 35

Balances in Fixed deposits include deposits:	31 March 2019	31 March 2018	1 April 2017
Pledged with Sales Tax Authorities	1.90	1.90	1.90
Pledged against bank guarantees issued by the banks for base capital and additional base capital.	200.00	200.00	200.00
Pledged with Multi Commodity Exchange of India Limited as cash collateral for additional base capital	25.00	25.00	25.00
Pledged with National Commodity and Derivatives Exchange Limited as cash collateral for additional base capital	32.50	32.50	32.50
Pledged with bank for overdraft facilities availed by the company	200.00	-	-
Total	459.40	259.40	259.40

Note - 36

Contingent liabilities not provided for in respect of:

(a) Bank guarantees of Rs. 300 lakhs (31 March 2018: Rs. 300 lakhs & 01 April 2017: Rs. 200 lakhs) issued in favour of Multi Commodity Exchange of India Limited.

Note - 37

Capital commitments outstanding as at 31 March 2019: Rs. Nil (31 March 2018: Rs. 22,671.42 lakhs & 01 April 2017: Rs. 21,626.80 lakhs).

Note - 38

As per the best estimate of the management, no provision is required to be made as per Indian Accounting Standard 37- Provisions, Contingent Liabilities and Contingent Assets as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.

Note - 39

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

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil	Nil
(iv) The amount of interest due and payable for the year	Nil	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil	Nil

The above information and that given in Note: 14 - "Trade payables" 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 - 40

Employee benefits:

(a) Defined contribution plans

The Company's contributions amounting to Rs. 8.26 lakhs (March 31, 2018: Rs. 15.91 lakhs) to defined contribution plans are recognized as expenses in the Statement of Profit and Loss for the year ended 31 March 2019.

(b) Defined benefits plan

A. Gratuity (un-funded)

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 2019	As at 31 March 2018	As at 1 April 2017
Present value of obligation	0.25	32.05	28.39
Fair value of plan assets	-	-	-
Net obligation recognised in balance sheet as provision	0.25	32.05	28.39

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

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	3.67	4.57
Past service cost including curtailment gains/losses	-	-
Gains or Losses on Non routine settlements	-	-
Interest cost on defined benefit obligation	1.25	2.13
Interest income on plan assets	-	-
Net impact on profit (before tax)	4.92	6.70
Actuarial (gain)/loss recognised during the year	(5.62)	1.23
Amount recognised in the statement of profit and loss and other comprehensive income	(0.70)	7.93

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

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Present value of defined benefit obligation as at the beginning of year	32.05	28.39
Current service cost	3.67	4.57
Interest cost	1.25	2.13
Past service cost including curtailment gains/losses	-	-
Benefits paid	(0.97)	(4.27)
Other adjustments/Reversals	(30.13)	-
Actuarial loss/(gain) on obligation	-	-
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	(3.81)	(2.24)
Actuarial (gain)/loss on arising from experience adjustment	(1.81)	3.47
Present value of defined benefit obligation as at the end of the year	0.25	32.05

(iv) Major categories of plan assets (as percentage of total plan assets):

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Government of India Securities	-	-
State Government securities	-	-
High Quality Corporate Bonds	-	-
Equity Shares of listed companies	-	-
Property	-	-
Funds Managed by Insurer	-	-
Bank Balance	-	-
Total	-	-

(v) Movement in the plan assets recognised in the balance sheet is as under:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Fair value of plan assets at beginning of year	-	-
Actual return on plan assets	-	-
Employer's contribution	-	-
Benefits paid	-	-
Fair value of plan assets at the end of the year	-	-

Note - 40

Employee benefits (continued):

(vi) Actuarial assumptions

Particulars	For the year ended 31 March 2019*	For the year ended 31 March 2018
Discounting rate	8.25%	7.80%
Future salary increase	5.00%	5.00%
Retirement age (years)	60.00	60.00
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	19.28	20.68

Mortality rates inclusive of provision for disability -100% of IALM (2006 – 08)

* based on actuarial valuation of liability for gratuity as at September 30, 2018

Gratuity is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2006-08) Ultimate table.

(vii) Sensitivity analysis for gratuity liability

Particulars	For the year ended 31 March 2019*	For the year ended 31 March 2018
Impact of the change in discount rate		
Present value of obligation at the end of the year	0.25	32.05
- Impact due to increase of 0.50 %	-	(2.33)
- Impact due to decrease of 0.50 %	-	2.58
Impact of the change in salary increase		
Present value of obligation at the end of the year	0.25	32.05
- Impact due to increase of 0.50 %	-	2.64
- Impact due to decrease of 0.50 %	-	(2.40)

* determined on accrual basis at year end, hence sensitivity analysis for change in assumptions are not given.

(viii) Maturity profile of defined benefit obligation

Particulars	As at 31 March 2019	As at 31 March 2018
0 to 1 year	0.25	0.89
1 to 2 year	-	0.60
2 to 3 year	-	0.60
3 to 4 year	-	0.59
4 to 5 year	-	0.70
5 to 6 year	-	0.56
6 year onwards	-	28.11

The employer best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity is Rs. Nil (March 31, 2018: Rs. 9.13 lakhs).

B. Compensated absences (non-funded)

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 2019	As at 31 March 2018	As at 1 April 2017
Present value of obligation	0.02	7.41	6.37
Fair value of plan assets	-	-	-
Net obligation recognised in balance sheet as provision	0.02	7.41	6.37

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

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	0.44	1.15
Past service cost including curtailment gains/losses	-	-
Gains or Losses on Non routine settlements	-	-
Interest cost on defined benefit obligation	0.29	0.46
Interest income on plan assets	-	-
Net impact on profit (before tax)	0.73	1.61
Actuarial (gain)/loss recognised during the year	(1.84)	(0.56)
Amount recognised in the statement of profit and loss and other comprehensive income	(1.11)	1.05

Note - 40

Employee benefits (continued):

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

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Present value of defined benefit obligation as at the beginning of year	7.42	6.37
Current service cost	0.44	1.15
Interest cost	0.29	0.46
Past service cost including curtailment gains/losses	-	-
Benefits paid	-	-
Other adjustments/Reversals	(6.28)	-
Actuarial loss/(gain) on obligation		
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	(0.44)	(0.54)
Actuarial (gain)/loss on arising from experience adjustment	(1.40)	(0.02)
Present value of defined benefit obligation as at the end of the year	0.02	7.42

(iv) Major categories of plan assets (as percentage of total plan assets):

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Government of India Securities	-	-
State Government securities	-	-
High Quality Corporate Bonds	-	-
Equity Shares of listed companies	-	-
Property	-	-
Funds Managed by Insurer	-	-
Bank Balance	-	-
Total	-	-

(v) Movement in the plan assets recognised in the balance sheet is as under:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Fair value of plan assets at beginning of year	-	-
Actual return on plan assets	-	-
Employer's contribution	-	-
Benefits paid	-	-
Fair value of plan assets at the end of the year	-	-

(vi) Actuarial assumptions

Particulars	For the year ended 31 March 2019*	For the year ended 31 March 2018
Discounting rate	8.25	7.80
Future salary increase	5.00	5.00
Retirement age (years)	60.00	60.00
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	19.28	20.68

Mortality rates inclusive of provision for disability -100% of IALM (2006 – 08)

* based on actuarial valuation of liability for compensated absences as at September 30, 2108

Compensated absences is payable to the employees on resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2006-08) Ultimate table.

(vii) Sensitivity analysis for liability for compensated absences

Particulars	For the year ended 31 March 2019*	For the year ended 31 March 2018
Impact of the change in discount rate		
Present value of obligation at the end of the year	0.02	7.42
- Impact due to increase of 0.50 %	-	(0.55)
- Impact due to decrease of 0.50 %	-	0.60
Impact of the change in salary increase		
Present value of obligation at the end of the year	0.02	7.42
- Impact due to increase of 0.50 %	-	0.62
- Impact due to decrease of 0.50 %	-	(0.56)

* determined on accrual basis at year end, hence sensitivity analysis for change in assumptions are not given.

(viii) Maturity profile of defined benefit obligation

Particulars	As at 31 March 2019	As at 31 March 2018
0 to 1 year	0.02	0.22
1 to 2 year	-	0.15
2 to 3 year	-	0.15
3 to 4 year	-	0.14
4 to 5 year	-	0.21
5 to 6 year	-	0.13
6 year onwards	-	6.42

The employer best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Compensated Absences is Rs. Nil (March 31, 2018: Rs. 2.28 lakhs).

Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Notes to financial statements for the year ended 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

Note - 41

There are no borrowing costs to be capitalised as at 31 March 2019 (31 March 2018: Rs. Nil, 01 April 2017: Rs. Nil).

Note - 42

Segment reporting:

The Company is engaged in the single operating segment of commodity broking and allied activities. No further disclosures are required in respect of reportable segments, other than those already provided in the financial statements as per Ind AS 108 on 'Segment Reporting'.

Note - 43

Related party disclosures

(a) Names of related parties identified in accordance with IND AS -24 "Related Party Disclosures":

The Company's principal related parties consist of its holding company, Indiabulls Ventures Limited and its subsidiaries, affiliates and key managerial personnel. The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business.

Description of relationship	Names of related parties
(i) Where control exists	
Holding Company	Indiabulls Ventures Limited
Subsidiary Company	India Ethanol and Sugar Limited (upto 08 March 2019)* Positive Housings Private Limited (upto 29 March 2018)
- Fellow Subsidiary Companies (including step down subsidiaries)	Indiabulls Investment Advisors Limited (Formerly known as Indiabulls Brokerage Limited)
	Devata Tradelink Limited
	Auxesia Soft Solutions Limited
	Indiabulls Distribution Services Limited
	Indiabulls Infra Resources Limited
	Indiabulls Consumer Products Limited
	Indiabulls Asset Reconstruction Company Limited
	Indiabulls Logistics Limited (upto 08 March 2019)*
	Indiabulls Alternate Investment Limited
	Indiabulls Consumer Finance Limited (formerly known as IVL Finance Limited)
	Pushpanjali Finsolutions Limited
	Astilbe Builders Limited (upto 08 March 2019)*
	Astraea Constructions Limited (upto 08 March 2019)*
	Silenus Buildtech Limited (upto 08 March 2019)*
	Arbutus Constructions Limited
	Gyansagar Buildtech Limited
	Pushpanjali Fincon Limited
Key Management Personnel	Mr. Divyesh B. Shah, Director
	Mr. Anil Mittal, Director
	Mr. Gulab Singh Chail, Director (upto 05 November 2018)
	Mr. Pankaj Sharma, Director
	Mr. Anand Kumar (With effect from 05 November 2018)
	Mr. Iswar Singh Goyat
	Mr. Prasenjeet Mukherjee
Mr. Sameer Gehlaut, Individual exercising significant influence	

* Dissolved and struck off from the Register of Companies pursuant to Section 248(5) of the Act on 08 March 2019

Note - 43

Related party disclosures (continued)

(b) Significant Transactions with Related Parties during the year ended 31 March 2019:

Particulars	Holding company		Key Management Personnel		Entities under common control	
	For the year ended 31 March 2019	For the year ended 31 March 2018	For the year ended 31 March 2019	For the year ended 31 March 2018	For the year ended 31 March 2019	For the year ended 31 March 2018
Finance						
Inter Corporate Deposit Taken (Maximum Balance Outstanding during the year)						
-Indiabulls Distribution Services Limited	-	-	-	-	109.00	999.00
Inter Corporate Deposit Given (Maximum Balance Outstanding during the year)						
-Indiabulls Distribution Services Limited	-	-	-	-	272.00	287.00
Interest Expenses						
-Indiabulls Distribution Services Limited	-	-	-	-	0.68	31.15
Interest Income						
-Indiabulls Distribution Services Limited	-	-	-	-	9.66	3.33
Other receipts and payments						
Employee Benefit Liabilities Paid						
-Indiabulls Ventures Limited	36.42	-	-	-	-	-
Compensation to key managerial personnel						
Share based payment						
- Anil Mittal	-	-	1.95	3.30	-	-

(c) Balance outstanding at 31 March 2019:

Nature of Transaction	As at	Entities under common control	Total
Inter corporate deposit taken	31 March 2019	109.00	109.00
	31 March 2018	-	-
	1 April 2017	989.00	989.00

Note - 44

In respect of amounts as mentioned under Section 124 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as on 31 March 2019 (31 March 2018: Rs. Nil, 1 April 2017: Rs. Nil).

(This space has intentionally been left blank)

Note - 45

Financial instruments

A Financial assets and liabilities

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

Particulars	Note No.	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Financial assets measured at amortised cost				
Cash and cash equivalents	3	42.49	528.24	1,615.09
Bank balances other than cash and cash equivalents	4	470.41	266.42	267.39
Trade receivables	5	0.23	28.71	29.05
Other receivables	6	1,108.37	165.38	257.53
Investments*	7	-	-	0.43
Other financial assets	8	324.43	112.93	122.93
Total		1,945.93	1,101.68	2,292.42
Financial liabilities measured at amortised cost				
Trade payables	14	2.04	1.88	0.28
Borrowings (other than debt securities but including interest accrued)	15	109.00	-	989.00
Other financial liabilities	16	213.12	304.99	181.66
Total		324.16	306.87	1,170.94

* 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 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 2019		As at 31 March 2018		As at 1 April 2017	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial assets						
Cash and cash equivalents	42.49	42.49	528.24	528.24	1,615.09	1,615.09
Bank balances other than cash and cash equivalents	470.41	470.41	266.42	266.42	267.39	267.39
Trade receivables	0.23	0.23	28.71	28.71	29.05	29.05
Other receivables	1,108.37	1,108.37	165.38	165.38	257.53	257.53
Investments	-	-	-	-	0.43	0.43
Other financial assets	324.43	324.43	112.93	112.93	122.93	122.93
Total	1,945.93	1,945.93	1,101.68	1,101.68	2,292.42	2,292.42
Financial liabilities						
Borrowings (other than debt securities)	109.00	109.00	-	-	989.00	989.00
Other financial liabilities	213.12	213.12	304.99	304.99	181.66	181.66
Total	322.12	322.12	304.99	304.99	1,170.66	1,170.66

Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include -

- Respective carrying amounts of cash and cash equivalents and Bank balance other than cash and cash equivalents, largely due to the short term maturities of these instruments and close approximation to fair values.
- The fair values of the Company's trade receivables and other receivables are determined after adjusting expected credit loss model (provision matrix approach) for recognising the allowance for doubtful receivables.
- The management assessed that fair values of other financial assets approximate their respective carrying amounts, largely due to the short-term maturities of these instruments.
- Other financial assets include deposits given to commodity exchanges for the purpose of base capital and additional base capital which have perpetual maturity and hence have been shown at their carrying values (at amortised cost).

Note - 46

Financial risk management

i) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Company's risk are managed by a treasury department under policies approved by the board of directors. The board of directors provides written principles for overall risk management. 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.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, investments, loans, trade receivables and other financial	Ageing analysis	Highly rated bank deposits and diversification of asset base and collaterals taken for assets
Liquidity risk	Borrowings, trade payables and other financial liabilities	Cash flow forecasts	Committed borrowing and other credit facilities and sale of loan assets (whenever required)
Market risk - interest rate	Variable rates borrowings and debt securities	Sensitivity analysis	Negotiation of terms that reflect the market factors

In order to avoid excessive concentrations 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 is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, investments, loan assets, trade receivables 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

The Company assesses and manages credit risk based on internal credit rating system and continuously monitoring the credit worthiness of customers in the normal course of business. 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, investments and other financial assets	12 month expected credit loss
High credit risk	Trade and other receivables	Life time expected credit loss or fully provided for

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. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

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.

Financial assets that expose the entity to credit risk*

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
(i) Low credit risk			
Cash and cash equivalents	42.49	528.24	1,615.09
Bank balance other than cash and cash equivalents	470.41	266.42	267.39
Investments	-	19.00	249.43
Other financial assets	324.43	112.93	122.93
Trade receivables	0.23	28.71	29.05
Other receivables	1,108.37	165.38	257.53
(ii) High credit risk			
Trade receivables	60.14	32.26	32.26
Other receivables	427.20	259.15	254.15

* These represent gross carrying values of financial assets, without deduction for expected credit losses

Note - 46

Financial risk management (continued)

Cash and cash equivalents

Credit risk related to cash and cash equivalents is managed by only accepting highly rated banks and diversifying accounts in different banks across the

Bank balance other than cash and cash equivalents

Credit risk related to Bank balance other than cash and cash equivalents is managed by only accepting highly rated banks and diversifying accounts in different banks across the country.

Trade and Other receivables

High Credit risk related to trade and other receivables are managed by monitoring the recoverability of such amounts continuously and the Company is applied expected credit loss model (provision matrix approach) for recognising the allowance for doubtful receivables.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes security deposits. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

b) Credit risk exposure

i) Expected credit losses for financial assets

As at 31 March 2019	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	42.49	-	42.49
Bank balances other than cash and cash equivalents	470.41	-	470.41
Trade receivables	60.37	60.14	0.23
Other receivables	1,535.57	427.20	1,108.37
Other financial assets	324.43	-	324.43

As at 31 March 2018	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	528.24	-	528.24
Bank balances other than cash and cash equivalents	266.42	-	266.42
Trade receivables	60.97	32.26	28.71
Other receivables	424.53	259.15	165.38
Investments	19.00	-	19.00
Other financial assets	112.93	-	112.93

As at 1 April 2017	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	1,615.09	-	1,615.09
Bank balances other than cash and cash equivalents	267.39	-	267.39
Trade receivables	61.31	32.26	29.05
Other receivables	511.68	254.15	257.53
Investments	249.43	-	249.43
Other financial assets	122.93	-	122.93

Note - 46
Financial risk management (continued)

(ii) Changes in the gross carrying amount and the corresponding ECL allowances in relation to trade and other receivables from beginning to end of reporting period:

Particulars	Trade receivables	Other receivables
Gross carrying amount as at 1 April 2017	29.05	257.53
Addition on account of sale	28.71	-
Assets derecognised or repaid (excluding write offs)	(29.05)	(97.15)
Net transfer between stages	-	5.00
Write - offs	-	-
Gross carrying amount as at 31 March 2018	28.71	165.38
Addition on account of sale	-	1,111.04
Assets derecognised or repaid (excluding write offs)	(0.60)	-
Net transfer between stages	(27.88)	(168.05)
Write - offs	-	-
Gross carrying amount as at 31 March 2019	0.23	1,108.37

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

Reconciliation of loss allowance	Trade receivables	Other receivables
Loss allowance on 1 April 2017	32.26	254.15
Impairment loss allowance during the year	-	5.00
Loss allowance written back	-	-
Write - offs	-	-
Loss allowance on 31 March 2018	32.26	259.15
Impairment loss allowance during the year	27.88	168.05
Loss allowance written back	-	-
Write - offs	-	-
Loss allowance on 31 March 2019	60.14	427.20

c) Concentration of trade receivables and other receivables

The Company's exposure to credit risk for trade receivables and other receivables are presented as below:

Trade receivables

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Individual	33.48	33.12	32.31
Corporate	26.34	26.33	26.31
Others	0.55	1.52	2.69
Total	60.37	60.97	61.31

Other receivables

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Individual	-	-	-
Corporate	1,535.57	424.53	511.68
Others	-	-	-
Total	1,535.57	424.53	511.68

Note - 46

Financial risk management (continued)

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 liquidity positions (also comprising the undrawn borrowing facilities) 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 2019	Total facility	Drawn	Undrawn
- Expiring within one year	-	-	-
- Expiring beyond one year	20,000.00	109.00	19,891.00
Total	20,000.00	109.00	19,891.00

As at 31 March 2018	Total facility	Drawn	Undrawn
- Expiring within one year	-	-	-
- Expiring beyond one year	20,000.00	-	20,000.00
Total	20,000.00	-	20,000.00

As at 1 April 2017	Total facility	Drawn	Undrawn
- Expiring within one year	-	-	-
- Expiring beyond one year	20,000.00	989.00	19,011.00
Total	20,000.00	989.00	19,011.00

(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 2019	Less than 1 year	1-3 year	More than 3 years	Total
Non-derivatives				
Cash and cash equivalents	42.49	-	-	42.49
Bank balances other cash and cash equivalents	470.41	-	-	470.41
Trade receivables	0.23	-	-	0.23
Other receivables	1,108.37	-	-	1,108.37
Other financial assets	-	-	324.43	324.43
Total undiscounted financial assets	1,621.50	-	324.43	1,945.93
Non-derivatives				
Trade payables	2.04	-	-	2.04
Borrowings other than debt securities	-	-	109.00	109.00
Other financial liabilities	213.12	-	-	213.12
Total undiscounted financial liabilities	215.16	-	109.00	324.16
Net undiscounted financial assets/(liabilities)	1,406.34	-	215.43	1,621.77

Note - 46

Financial risk management (continued)

As at 31 March 2018	Less than 1 year	1-3 year	More than 3 years	Total
Non-derivatives				
Cash and cash equivalents	528.24	-	-	528.24
Bank balances other cash and cash equivalents	265.40	1.02	-	266.42
Trade receivables	28.71	-	-	28.71
Other receivables	165.38	-	-	165.38
Investments	-	-	19.00	19.00
Other financial assets	-	-	112.93	112.93
Total undiscounted financial assets	987.73	1.02	131.93	1,120.68
Non-derivatives				
Trade payables	1.88	-	-	1.88
Other financial liabilities	304.99	-	-	304.99
Total undiscounted financial liabilities	306.87	-	-	306.87
Net undiscounted financial assets/(liabilities)	680.86	1.02	131.93	813.81

As at 1 April 2017	Less than 1 year	1-3 year	More than 3 years	Total
Non-derivatives				
Cash and cash equivalents	1,615.09	-	-	1,615.09
Bank balances other cash and cash equivalents	266.37	1.02	-	267.39
Trade receivables	29.05	-	-	29.05
Other receivables	257.53	-	-	257.53
Investments	-	-	249.43	249.43
Other financial assets	-	-	122.93	122.93
Total undiscounted financial assets	2,168.04	1.02	372.36	2,541.42
Non-derivatives				
Trade payables	0.28	-	-	0.28
Borrowings other than debt securities	989.00	-	-	989.00
Other financial liabilities	181.66	-	-	181.66
Total undiscounted financial liabilities	1,170.94	-	-	1,170.94
Net undiscounted financial assets/(liabilities)	997.10	1.02	372.36	1,370.48

C) Market risk

a) Foreign currency risk

The Company has not entered into any foreign currency transactions and is not exposed to foreign exchange risk arising from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. The Company did not have any foreign currency receivables and payables as at 31 March 2019, 31 March 2018 and 1 April 2017.

b) Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. The Company's approach is to keep its borrowings at fixed rate of interest for long term funds. As at March 31, 2019, the Company's entire outstanding borrowings carry fixed rate of interest.

Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Notes to financial statements for the year ended 31 March 2019
(All amounts in Rs. lakhs unless otherwise stated)

Note - 46
Financial risk management (continued)

- ii) Assets**
The Company's fixed 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.
- c) Price risk**
- i) Exposure**
As at 31 March 2019, 31 March 2018 and 01 April 2017, the Company had no investments in quoted equity instruments subject to price risk.

Note - 47
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

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

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 2019	As at 31 March 2018	As at 1 April 2017
Net debt*	66.51	-	(626.09)
Total equity	2,314.26	2,586.70	2,445.33
Net debt to equity ratio	0.03	-	-

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

Indiabulls Securities Limited**(Formerly known as Indiabulls Commodities Limited)****Summary of significant accounting policies and other explanatory information for the year ended on 31 March 2019***(All amounts in Rs. Lakhs unless stated otherwise)***Note - 48****Employee stock option schemes:**

The employees of the Company have been granted options 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. 1.95 lakhs (31 March 2018 Rs. 3.30 lakhs) 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 has 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			
	20,000,000 Options	9,700,000 Options Regranted	500,000 Options Regranted	880,600 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	6	6	6
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.

Indiabulls Securities Limited**(Formerly known as Indiabulls Commodities Limited)****Summary of significant accounting policies and other explanatory information for the year ended on 31 March 2019***(All amounts in Rs. Lakhs unless stated otherwise)***Note - 48 (continued)**

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, there is no employee stock compensation expense on account of the same. 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 has been accepted by the Holding Company.

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, there is no employee stock compensation expense on account of the same. 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 has been accepted by the Holding Company.

During the year ended 31 March 2018, the Compensation Committee has 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, there is no employee stock compensation expense on account of the same. 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 – 2009						
		10,000,000 Options	2,050,000 Options	10,000,000 Options Regranted & Surrendered	9,500,000 Options Regranted	10,000,000 Options Regranted & Surrendered	10,000,000 Options Regranted	669,400 Options Regranted
1.	Exercise price (Rs.)	35.25	31.35	27.45	16	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 Accountant

Indiabulls Securities Limited**(Formerly known as Indiabulls Commodities Limited)****Summary of significant accounting policies and other explanatory information for the year ended on 31 March 2019***(All amounts in Rs. Lakhs unless stated otherwise)***Note - 48 (continued)**

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

	IBVL ESOP - 2008			
	20,000,000			
	20,000,000	9,700,000	500,000	880,600
	(Regrant)	(Regrant)	(Regrant)	(Regrant)
Total options under the scheme (Nos.)				
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 2017 (Nos.)	1,526,316	9,700,000	-	-
Granted/ regranted during the year (Nos.)	-	-	500,000	880,600
Options vested during the year (Nos.)*	-	1,940,000	-	-
Exercised during the year (Nos.)	220,400	-	-	-
Expired during the year (Nos.)	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	28,050	-	-	-
Outstanding as at 31 March 2018 (Nos.)	1,277,866	9,700,000	500,000	880,600
Outstanding as at 1 April 2018 (Nos.)	1,277,866	9,700,000	-	-
Granted/ regranted during the year (Nos.)	-	-	-	-
Options vested during the year (Nos.)*	-	1,940,000	-	-
Exercised during the year (Nos.)	-	-	-	-
Expired during the year (Nos.)	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	406,950	-	-	187,000
Outstanding as at 31 March 2019 (Nos.)	870,916	9,700,000	500,000	693,600
Vested and exercisable at the end of the year (Nos.)	870,916	3,880,000	100,000	138,720
Remaining contractual life (weighted months)	49	63	77	84

- Weighted average exercise price of share during the year ended 31 March 2019: not applicable (31 March 2018: Rs. 59.77).

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Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Summary of significant accounting policies and other explanatory information for the year ended on 31 March 2019
(All amounts in Rs. Lakhs unless stated otherwise)
Note - 48 (continued)

	IBVL ESOP - 2009						
	10,000,000	2,050,000	10,000,000	9,500,000	10,000,000	10,000,000	669,400
Total options under the Options granted (Nos.)	10,000,000	2,050,000	10,000,000 (Regrant & Surrendered)	9,500,000 (Regrant)	10,000,000 (Regrant & Surrendered)	10,000,000 (Regrant)	669,400 (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 2017 (Nos.)	-	450,000	-	9,153,000	-	-	-
Granted/ re-granted during the year (Nos.)	-	-	-	-	-	10,000,000	669,400
Options vested during the year (Nos.)*	-	50,000	-	1,830,600	-	-	-
Exercised during the year (Nos.)	-	300,000	-	1,758,100	-	-	-
Expired during the year (Nos.)	-	-	-	-	-	-	-
Surrendered and eligible for re-grant during the	-	-	-	242,400	-	30,000	-
Outstanding as at 31 March 2018 (Nos.)	-	150,000	-	7,152,500	-	9,970,000	669,400
Outstanding as at 1 April 2018 (Nos.)	-	150,000	-	7,152,500	-	-	-
Granted/ re-granted during the year (Nos.)	-	-	-	-	-	-	-
Options vested during the year (Nos.)*	-	50,000	-	1,830,600	-	-	-
Exercised during the year (Nos.)	-	-	-	-	-	-	-
Expired during the year (Nos.)	-	-	-	-	-	-	-
Surrendered and eligible for re-grant during the	-	-	-	664,800	-	90,000	450,000
Outstanding as at 31 March 2019 (Nos.)	-	150,000	-	6,487,700	-	9,880,000	219,400
Exercisable at the end of the year (Nos.)	-	50,000	-	1,676,300	-	1,976,000	43,880
Remaining contractual life (weighted months)	-	60	-	67	-	77	84

* Net of options surrendered before vesting.

- Weighted average exercise price of share during the year ended 31 March 2019: not applicable (31 March 2018: Rs. 121.14).

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Note - 49

A. Explanation of transition to Ind AS

Reconciliation of total equity as at 31 March 2018

Particulars	Note	As at 31 March 2018		
		Previous GAAP*	Effect of transition to Ind AS	Ind AS
Assets				
Financial assets				
Cash and cash equivalents	3	528.24	-	528.24
Bank balances other than cash and cash equivalents	4	258.40	8.02	266.42
Trade receivables	5	28.09	0.62	28.71
Other receivables	6	424.53	(259.15)	165.38
Investments	7	19.00	-	19.00
Other financial assets	8	120.95	(8.02)	112.93
		1,379.21	(258.53)	1,120.68
Non-financial assets				
Current tax assets (net)	9	21.01	-	21.01
Deferred tax assets (net)	10	22.38	674.74	697.12
Property, plant and equipment	11	-	-	-
Other intangible assets	12	0.86	-	0.86
Other non-financial assets	13	1,793.20	(672.59)	1,120.61
		1,837.45	2.15	1,839.60
Total Assets		3,216.66	(256.38)	2,960.28
Liabilities				
Financial liabilities				
Trade payables	14	1.88	-	1.88
Borrowings (other than debt securities)	15	-	-	-
Other financial liabilities	16	304.99	-	304.99
		306.87	-	306.87
Non-financial Liabilities				
Current tax liabilities (net)	17	1.00	-	1.00
Provisions	18	39.46	-	39.46
Other non-financial liabilities	19	25.62	0.63	26.25
		66.08	0.63	66.71
Equity				
Equity share capital	20	60.00	-	60.00
Other equity	21	2,783.71	(257.01)	2,526.70
		2,843.71	(257.01)	2,586.70
Total Liabilities		3,216.66	(256.38)	2,960.28

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Notes to financial statements for the year ended 31 March 2019
(All amounts in Rs. unless stated otherwise)

Note - 49 (continued)

A Explanation of transition to Ind AS

Reconciliation of total equity as at 1 April 2017

Particulars	Note	As at 1 April 2017		
		Previous GAAP*	Effect of transition to Ind AS	Ind AS
Assets				
Financial assets				
Cash and cash equivalents	3	1,615.09	-	1,615.09
Bank balance other than cash and cash equivalents	4	258.40	9.00	267.39
Trade receivables	5	26.77	2.28	29.05
Other receivables	6	511.68	(254.15)	257.53
Investments	7	249.43	-	249.43
Other financial assets	8	131.93	(9.00)	122.93
		2,793.30	(251.87)	2,541.42
Non-financial assets				
Current tax assets (net)	9	21.01	-	21.01
Deferred tax assets (net)	10	23.80	637.57	661.37
Property, plant and equipment	11	-	-	-
Other intangible assets	12	1.46	-	1.46
Other non-financial assets	13	1,429.52	(636.42)	793.10
		1,475.79	1.15	1,476.94
Total Assets		4,269.09	(250.72)	4,018.36
Liabilities				
Financial liabilities				
Trade payables	14	0.28	-	0.28
Borrowings (other than debt securities)	15	989.00	-	989.00
Other financial liabilities	16	181.66	-	181.66
		1,170.94	-	1,170.94
Non-financial Liabilities				
Current tax liabilities (net)	17	316.72	-	316.72
Provisions	18	34.76	-	34.76
Other non-financial liabilities	19	48.32	2.29	50.61
		399.80	2.29	402.09
Equity				
Equity share capital	20	60.00	-	60.00
Other equity	21	2,638.35	(253.01)	2,385.33
		2,698.35	(253.01)	2,445.33
Total Liabilities		4,269.09	(250.72)	4,018.36

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Indiabulls Securities Limited
(Formerly known as Indiabulls Commodities Limited)
Summary of significant accounting policies and other explanatory information for the year ended on 31 March 2019
(All amounts in Rs. unless stated otherwise)
Note - 49 (continued)
B Reconciliation of total comprehensive income for the year ended 31 March 2018

Particulars	Note No.	Previous GAAP*	Effect of transition to Ind AS	Ind AS
Revenue from operations				
Interest income	22	22.54	-	22.54
Fees and commission income	23	123.80	-	123.80
Net gain on fair value changes	24	360.00	-	360.00
Sale of services	25	40.25	-	40.25
Total Revenue from operations (I)		546.59	-	546.59
Other income	26	36.32	-	36.32
Total Other income (II)		36.32	-	36.32
Total revenue (III) [I+II]		582.91	-	582.91
Expenses				
Finance costs	27	63.26	-	63.26
Fees and commission expense	28	30.28	-	30.28
Impairment of financial instruments	29	-	5.00	5.00
Employee benefits expense	30	310.27	2.07	312.34
Depreciation and amortisation expense		0.60	-	0.60
Other expenses	31	31.33	-	31.33
Total expenses (IV)		435.74	7.07	442.81
Profit/(loss) before exceptional items and tax (V) [III-IV]		147.17	(7.07)	140.10
Exceptional items (VI)		-	-	-
Profit/(loss) before tax (VII) [V-VI]		147.17	(7.07)	140.10
Tax expense/(benefit) :				
(1) Current tax		36.16	(0.01)	36.15
(2) Income tax of earlier years		0.40	-	0.40
(3) Minimum alternate tax credit entitlement		(36.16)	-	(36.16)
(4) Deferred tax		1.42	(0.67)	0.75
Total tax expenses (VIII)		1.82	(0.68)	1.14
Profit/ loss for the year from continuing operations (IX) [VII-VIII]		145.35	(6.39)	138.96
Profit/(loss) from discontinued operations (X)		-	-	-
Tax expense of discontinued operations (XI)		-	-	-
Profit/(loss) from discontinued operations after tax (XII) [X-XI]		-	-	-
Profit/(loss) for the year (XIII) [IX+XII]		145.35	(6.39)	138.96
Other comprehensive income (XIV)				
(A) Items that will not be reclassified to profit or loss				
Re-measurement gain/(loss) on defined benefit plans		-	(1.23)	(1.23)
Income tax relating to items that will not be reclassified to profit and loss		-	0.34	0.34
Subtotal (A)		-	(0.89)	(0.89)
(B) Items that will be reclassified to profit or loss		-	-	-
Subtotal (B)		-	-	-
Total Other comprehensive income/(loss) (A+B)		-	(0.89)	(0.89)
Total comprehensive income/(loss) for the year (XIII+XIV)		145.35	(7.28)	138.07

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Indiabulls Securities Limited**(Formerly known as Indiabulls Commodities Limited)****Notes to financial statements for the year ended 31 March 2019***(All amounts in Rs. unless stated otherwise)***Note - 50****First time adoption of Ind AS**

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note: 2 have been applied in preparing the financial statements for the year ending 31 March 2019, the comparative information presented in these financial statements for the year ended 31 March 2018 and in the preparation of an opening Ind AS balance sheet at 1 April 2017 (the Company's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A Ind AS exemptions

Ind AS-101 allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly, applied the following exemptions:

- 1 The Company has elected to consider carrying amount of all items of Property, Plant and Equipment (PPE) and Intangible Assets as per Indian GAAP, as deemed cost at the date of transition.
- 2 Ind AS 102 Share based payments requires an entity to recognise the equity settled share based payment plans based on fair value of the stock options granted to employees instead of intrinsic value. Ind AS 101 permits a first time adopter to ignore such requirement for the options already vested as on transition date that is 1 April 2017. The Company has elected to apply this exemptions for such vested options.
- 3 The Company has elected to carry the investment in subsidiary at its actual cost determined as per Ind AS 27 "Separate financial statements" as its carrying value in these financial statements on the date of transition.

B Ind AS mandatory exceptions**1 Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2017 and March 31, 2018 are consistent with the estimates as at the same dates made in conformity with Indian GAAP, apart from the following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- a) Fair value of Investment in unquoted equity instruments
- b) Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions that existed as at April 1, 2017 and March 31, 2018.

2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

- a) The effects of the retrospective application or retrospective restatement are not determinable;
- b) The retrospective application or restatement requires assumptions about what management's intent would have been in that period;
The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

Indiabulls Securities Limited**(Formerly known as Indiabulls Commodities Limited)****Notes to financial statements for the year ended 31 March 2019***(All amounts in Rs. unless stated otherwise)***Note - 50****First time adoption of Ind AS (continued)****C Reconciliations between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile total equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

1 Reconciliation of total equity as at 31 March 2018 and 1 April 2017

	As at 31 March 2018	As at 1 April 2017
Total equity (shareholder's funds) as per previous GAAP	2,843.71	2,698.34
Adjustments:		
Expected credit loss	(259.15)	(254.15)
Deferred tax impact	2.14	1.14
Total adjustments	(257.01)	(253.01)
Total equity as per Ind AS	2,586.70	2,445.33

2 Reconciliation of total comprehensive income for the year

	For the year ended 31 March 2018
Profit after tax as per previous GAAP	145.35
Adjustments:	
Expected credit loss	(5.00)
Share-based payments to employees	(3.30)
Remeasurement of defined benefit obligations	1.23
Deferred tax impact	0.68
Total adjustments	(6.39)
Profit after tax as per Ind AS	138.96
Re-measurement (loss)/gain on defined benefit plans	(1.23)
Income tax relating to remeasurement on defined benefit plans	0.34
Total comprehensive income as per Ind AS	138.07

3 Impact of Ind AS adoption on statement of cash flows for the year ended on 31 March 2018:

Particulars	Previous GAAP*	Adjustments	Ind AS
Net cash flow from operating activities	(423.08)	(266.17)	(689.25)
Net cash flow from investing activities	358.32	233.08	591.40
Net cash flow from financing activities	(1,022.09)	33.09	(989.00)
Net increase/(decrease) in cash and cash equivalents	(1,086.85)	-	(1,086.85)
Cash and cash equivalents as at 1 April 2017	1,615.09	-	1,615.09
Cash and cash equivalents as at 31 March 2018	528.24	-	528.24

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

D Notes to first time adoption**1 Fair valuation of investments**

Under previous GAAP, investments were classified as non-current investments or current investments based on the intended holding period and realisability. Non-current investments were carried at cost less provision for diminution (other than temporary) in the value of the investments. Current investments were carried at lower of cost and fair value. Under Ind AS, such instruments are to be evaluated under Ind AS 109 which requires the Company to account for such instruments either at amortised cost or fair value, except investments in subsidiaries for which exemption has been availed.

Note - 50

First time adoption of Ind AS (continued)

2 Impairment allowance on trade receivables using provision matrix approach

Under previous GAAP, provision for trade receivables was recognised on specific identification method based on management assessment of recoverability of trade receivables. As per Ind AS 109, the Company is required to apply expected credit loss model (provision matrix approach) for recognising the allowance for doubtful receivables.

3 Remeasurement of post-employment benefit obligations

Under Ind AS, actuarial gains and losses on defined benefit plan liabilities and plan assets are recognised in other comprehensive income instead of Statement of profit or loss. Under the previous GAAP, such measurements were charged to profit or loss for the respective year. As a result of this change, the profit for the year ended 31 March 2018 increased. There is no impact on the total equity as at 31 March 2018 and 1 April 2017.

4 Tax impact on adjustments

Retained earnings and statement of profit and loss has been adjusted consequent to the Ind AS transition adjustments with corresponding impact to deferred tax, wherever applicable.

5 Retained earnings

Retained earnings as at 1 April 2017 has been adjusted consequent to the above Ind AS transition adjustments.

6 Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans and the corresponding income tax effects. The concept of other comprehensive income did not exist under previous GAAP.

As per our report of even date

For A Sardana & Co.
Chartered Accountants
Firm Registration No. 021890N

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No. 089011
New Delhi, 24 April 2019

Pankaj Sharma
Director
DIN: 00472879
New Delhi, 24 April 2019

Prasenjeet Mukherjee
Director
DIN: 07629972