Indiabulls Ventures Limited

Our Company was originally incorporated as 'GPF Securities Private Limited' on June 9, 1995 at Delhi and Haryana as a private limited company under the Companies Act, 1956. For details in relation to changes to the name and registered office of our Company, please see "*History and Certain Corporate Matters*" on page 160.

Corporate identification number: L74999DL1995PLC069631

Registered Office: M-62 & 63, First Floor, Connaught Place, New Delhi – 110 001, Delhi, India; **Telephone:** +91 11 3025 2900; and **Facsimile:** +91 11 3015 6901
Corporate Office(s): Indiabulls House, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013, India
Telephone: +91 22 6189 9016; and **Facsimile:** +91 22 6189 9001
Indiabulls House, 448-451, Udyog Vihar, Phase V, Gurugram – 122 016, India; **Telephone:** +91 124 6681199; and **Facsimile:** +91 124 6681240
Contact Person: Mr. Lalit Sharma, Company Secretary and Compliance Officer
E-mail: helpdesk@indiabulls.com, **Website:** www.indiabullsventures.com

PROMOTERS OF OUR COMPANY: MR. SAMEER GEHLAUT, ORTHIA CONSTRUCTIONS PRIVATE LIMITED, ORTHIA PROPERTIES PRIVATE LIMITED, ZELKOVA BUILDERS PRIVATE LIMITED, INUUS PROPERTIES PRIVATE LIMITED AND INUUS DEVELOPERS PRIVATE LIMITED

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY ONLY

ISSUE OF [●] PARTLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹2 EACH OF OUR COMPANY FOR CASH AT A PRICE OF ₹[●] (INCLUDING A PREMIUM OF ₹[●]) PER EQUITY SHARE ("RIGHTS EQUITY SHARES") FOR AN AMOUNT AGGREGATING TO ₹20,000 MILLION ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARES FOR EVERY [●] FULLY PAID-UP EQUITY SHARES HELD BY SUCH ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] (THE "ISSUE"). THE ISSUE PRICE OF EACH RIGHTS EQUITY SHARE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, PLEASE SEE "TERMS OF THE ISSUE" ON PAGE 403.

PAYMENT METHOD*

Amount Payable per Rights Equity Share i.e. Issue Price	Face value (₹)	Premium (₹)	Total (₹)
On Application	[●]	[●]	[●]
On First Call	[●]	[●]	[●]
On Second Call	[●]	[●]	[●]
On Third and Final Call	[●]	[●]	[●]
Total			[●]

*For details on the payment method, see "*Terms of the Issue*" beginning on page 403

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and Investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in relation to this Issue. For taking an investment decision, Investors must rely on their own examination of the Issuer and the Issue including the risks involved. The Rights Equity Shares being offered in this Issue have not been recommended or approved by the Securities and Exchange Board of India, ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of this document. The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended ("**Securities Act**") and are being offered and sold outside the United States to non – U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act ("**Regulation S**"). **Investors are advised to refer to "*Risk Factors*" from pages 19 to 53 before making an investment in this Issue.**

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to the Issuer and the Issue, which is material in the context of this Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares of our Company are listed and traded on National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**"). The GDRs of our Company are listed on the Luxembourg Stock Exchange. Our Company has received in-principle approvals from NSE and BSE for listing of the Rights Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Issue, the Designated Stock Exchange is [●].

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
AXIS CAPITAL	KARVY Computershare
Axis Capital Limited Axis House, 1st Floor C-2 Wadia International Centre P. B. Marg, Worli, Mumbai 400025, India Telephone: +91 22 4325 2183 Facsimile: +91 22 4325 3000 Email: ivl.rights@axiscap.in Investor grievance email: complaints@axiscap.in Contact Person: Ankit Bhatia/ Lohit Sharma Website: www.axiscapital.co.in SEBI Registration Number: INM000012029	**Karvy Computershare Private Limited** Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda Hyderabad – 500 032, India Telephone: +91 40 6716 2222 Facsimile: +91 40 2343 1551 Email: einward.ris@karvy.com Investor grievance email: indiabullsventures.rights@karvy.com Contact Person: M Murali Krishna Website: www.karisma.karvy.com SEBI Registration No.: INR000000221

ISSUE SCHEDULE

ISSUE OPENS ON	LAST DATE FOR REQUEST FOR SPLIT APPLICATION FORMS	ISSUE CLOSES ON
[●]	[●]	[●]

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Company Related Terms

Term	Description
"Indiabulls Ventures Limited" or "the Company" or "our Company"	Indiabulls Ventures Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at M-62 & 63, First Floor, Connaught Place, New Delhi – 110 001, India
"we" or "us" or "our	Our Company and our Subsidiaries
ABL	Astilbe Builders Limited
ACL	Arbutus Constructions Limited
Articles/Articles of Association/AoA	Articles of Association of our Company, as amended from time to time
ASCL	Astraea Constructions Limited
ASSL	Auxesia Soft Solutions Limited
Audit Committee	Audit committee of the Board constituted in terms of the Companies Act, 2013 and the SEBI Listing Regulations
Board/Board of Directors	The board of directors of our Company or a committee thereof
Company Secretary and Compliance Officer	Mr. Lalit Sharma
Compensation Committee	Compensation committee of the Board duly constituted to administer the ESOP Schemes and having such powers as shall be specified by the Board
Corporate Promoters	Corporate promoters of our Company namely, Inuus Developers Private Limited, Inuus Properties Private Limited, Orthia Constructions Private Limited, Orthia Properties Private Limited and Zelkova Builders Private Limited
Deposit Agreement	The agreement entered into between our Company and Deutsche Bank Trust Company Americas, dated April 14, 2008 in relation to issuance of global depositary receipts by our Company
Director(s)	Any or all director(s) of our Company, as the context may require
DTL	Devata Tradelink Limited
Equity Share(s)	The equity share(s) of our Company having a face value of ₹2 each
ESOP 2008	Indiabulls Ventures Limited Employees Stock Option Scheme, 2008
ESOP 2009	Indiabulls Ventures Limited Employees Stock Option Scheme, 2009
GBL	Gyansagar Buildtech Limited
ESOP Schemes	Collectively, ESOP 2008 and ESOP 2009
GDRs	Global depositary receipts outstanding as of the date of this Draft Letter of Offer
Group Companies	Companies which are covered under the applicable accounting standards and also other companies as considered material by our Board, and as disclosed in "*Our Group Companies*" on page 205
IAIL	Indiabulls Alternate Investments Limited
IARCL	Indiabulls Asset Reconstruction Company Limited
ICL	Indiabulls Commodities Limited
ICPL	Indiabulls Consumer Products Limited

Term	Description
IBFSL	Indiabulls Financial Services Limited (now merged with Indiabulls Housing Finance Limited)
ICSL	Indiabulls Credit Services Limited
IDPL	Inuus Developers Private Limited
IDSL	Indiabulls Distribution Services Limited
IESL	India Ethanol and Sugar Limited
IIAL	Indiabulls Investment Advisors Limited
IIRL	Indiabulls Infra Resources Limited
ILL	Indiabulls Logistics Limited
IPPL	Inuus Properties Private Limited
IVLFL	IVL Finance Limited
Key Management Personnel	Key management personnel of our Company, in terms of Regulation 2(1)(s) of the SEBI ICDR Regulations, Section 2(51) of the Companies Act, 2013, and as disclosed in "*Our Management – Key Management Personnel*" on page 195
Memorandum/Memorandum of Association	Memorandum of Association of our Company, as amended from time to time
OCPL	Orthia Constructions Private Limited
OPPL	Orthia Properties Private Limited
PFIL	Pushpanjili Finsolutions Limited
PFL	Pushpanjili Fincon Limited
PHPL	Positive Housings Private Limited
Preference Shares	Preference shares of the Company of face value ₹4.61 each
Promoters	The Promoter(s) of the Company namely Mr. Sameer Gehlaut, Orthia Constructions Private Limited, Orthia Properties Private Limited, Zelkova Builders Private Limited, Inuus Properties Private Limited, and Inuus Developers Private Limited
Promoter Group	Promoter group of the Company, as determined in terms of Regulation 2(1)(zb) of the SEBI ICDR Regulations
Registered Office	M-62 & 63, First Floor, Connaught Place, New Delhi – 110 001, Delhi, India
Registrar of Companies/ RoC	Registrar of Companies, Delhi and Haryana
SBL	Silenus Buildtech Limited
Scheme of Amalgamation	Reorganisation of IBFSL by way of an amalgamation of ICSL with IBFSL and the subsequent demerger of the securities broking and advisory business of IBFSL to our Company pursuant to a scheme of arrangement under the Companies Act, 1956 between IBFSL, ICSL and our Company. The scheme was approved by the Honourable High Court of Delhi by an order dated November 23, 2007
Shareholder(s)	Equity shareholders of our Company
Statutory Auditors	M/s. Deloitte Haskins & Sells, Chartered Accountants
Subsidiaries	Subsidiaries of the Company in terms of the Companies Act, 2013, namely, 1. Arbutus Constructions Limited 2. Astilbe Builders Limited 3. Astraea Constructions Limited 4. Auxesia Soft Solutions Limited 5. Devata Tradelink Limited 6. Gyansagar Buildtech Limited 7. India Ethanol and Sugar Limited 8. Indiabulls Alternate Investments Limited

Term	Description
	9. Indiabulls Asset Reconstruction Company Limited 10. Indiabulls Commodities Limited 11. Indiabulls Consumer Products Limited 12. Indiabulls Distribution Services Limited 13. Indiabulls Infra Resources Limited 14. Indiabulls Investment Advisors Limited 15. Indiabulls Logistics Limited 16. IVL Finance Limited 17. Positive Housings Private Limited 18. Pushpanjli Finsolutions Limited 19. Pushpanjli Fincon Limited 20. Silenus Buildtech Limited
ZBPL	Zelkova Builders Private Limited

Issue Related Terms

Term	Description
Abridged Letter of Offer	The abridged letter of offer to be sent to the Eligible Equity Shareholders with respect to this Issue in accordance with SEBI ICDR Regulations and the Companies Act, 2013
Allot/Allotted/Allotment	Unless the context requires, the allotment of Rights Equity Shares pursuant to the Issue
Allotment Date	Date on which the Allotment is made
Allottee(s)	Person(s) who are Allotted Rights Equity Shares pursuant to the Allotment
Applicant/ Investor(s)	Eligible Equity Shareholder(s) and/or Renouncees who make an application for the Rights Equity Shares pursuant to the Issue in terms of the Letter of Offer, including an ASBA Applicant
Application	Application made by the Applicant whether submitted by way of CAF or in the form of a plain-paper application, to subscribe to the Rights Equity Shares issued pursuant to the Issue at a price of ₹[●] per Equity Share, including applications by way of the ASBA Process
Application Money	Aggregate amount payable at the time of Application i.e. ₹[●] per Equity Share in respect of the Rights Equity Shares applied for at the Issue Price
Application Form	The form in terms of which an Applicant shall make an Application to subscribe to the Rights Equity Shares pursuant to the Issue, including plain-paper Application
Application Supported by Blocked Amount/ASBA	The application (whether physical or electronic) used by an ASBA Applicant to make an application authorizing the SCSB to block the amount payable on application in their specified bank account
ASBA Account	Account maintained by an ASBA Investor with an SCSB which will be blocked by such SCSB to the extent of the amount mentioned in the Application
ASBA Applicant/ASBA Investor	Eligible Equity Shareholders proposing to subscribe to the Issue through ASBA process and: (a) who are holding the Equity Shares in dematerialized form as on the Record Date and have applied for their Rights Entitlements and/ or additional Rights Equity Shares in dematerialized form; (b) who have not renounced their Rights Entitlements in full or in part;

Term	Description
	(c) who are not Renouncees; and (d) who are applying through blocking of funds in a bank account maintained with SCSBs. All (i) QIBs, (ii) Non-Institutional Investors, and (iii) other Investors whose Application Money exceeds ₹200,000, can participate in the Issue only through an ASBA process. Further, all QIBs and Non-Institutional Investors are mandatorily required to use the ASBA facility, even if application amount does not exceed ₹200,000
Banker to the Issue	[●]
Call(s)	Call notice(s) sent by the Company to each of the holders of the Rights Equity Shares as on the Call Record Date, for making a payment of Call Money
Call Money	Aggregate amount payable in respect of the Rights Equity Shares at the time of the Call(s), being: • ₹[●] per Equity Share, i.e. [●]% of the Issue Price in respect of First Call, • ₹[●] per Equity Share, i.e. [●]% of the Issue Price in respect of Second Call, and • ₹[●] per Equity Share, i.e. [●]% of the Issue Price in respect of Third and Final Call
Call Record Date	The date fixed by the Company for the purpose of determining the names of the holders of partly paid-up Rights Equity Shares for the purpose of issuing the Call(s)
Composite Application Form / CAF	The form used by an Investor to make an application for the Allotment of Rights Equity Shares in the Issue or renounce his Rights Entitlement or request for SAFs, and used by sole Renouncee to make an Application for Allotment of Rights Equity Shares in the Issue to the extent of renunciation of Rights Entitlement in their favour
Consolidated Certificate	In case of holding of Equity Shares in physical form, the certificate that would be issued for the Rights Equity Shares Allotted to each folio
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in
Demographic Details	Demographic details of the Investors available with depositories including address, bank account details for printing on refund orders
Designated Stock Exchange	[●]
Designated Branches	Such branches of the SCSBs which shall collect the Applications, used by the ASBA Investors, a list of which is available on http://www.sebi.gov.in/
Draft Letter of Offer	This draft letter of offer dated September 28, 2017 filed with SEBI and which does not contain complete terms of the Rights Equity Shares proposed to be offered in the Issue in accordance with the SEBI ICDR Regulations
Eligible Equity Shareholder(s)	Shareholders as on the Record Date, i.e. [●]
Equity Shareholder(s)/ Shareholders	The holders of Equity Shares of our Company
First Call	[●]
Issue/ Rights Issue	Issue of up to **[●]** Rights Equity Shares for cash at a price of ₹**[●]** per Equity Share including a premium of ₹**[●]** per Equity Share for an amount up to ₹20,000 million on a rights basis to the Eligible Equity Shareholders in the ratio of **[●]** Rights Equity Share(s) for every **[●]**

Term	Description
	Equity Share(s) held by the Eligible Equity Shareholders on the Record Date
Issue Agreement	The agreement dated September 28, 2017 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Closing Date	**[●]**
Issue Opening Date	**[●]**
Issue Price	₹[●] per Rights Equity Share
Issue Proceeds	Gross proceeds of the Issue
Issue Size	The issue of [●] Rights Equity Shares for an amount aggregating to ₹20,000 million
Lead Manager	Axis Capital Limited
Letter of Offer	The final letter of offer to be filed with the Stock Exchanges after incorporating the observations received from the SEBI on this Draft Letter of Offer
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please see "*Objects of the Issue*" on page 110
Non-ASBA Investor	Investors who apply in the Issue otherwise than through the ASBA process
Non-Institutional Investors	Investor, including any company or body corporate, other than a Retail Individual Investor and a QIB
Qualified Foreign Investors or QFIs	Qualified foreign investors as defined under the SEBI FPI Regulations
Qualified Institutional Buyers or QIBs	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Shareholders eligible to apply for Rights Equity Shares in the Issue, that is [●]
Refund Banker to the Issue	[●]
Registrar to the Issue/Registrar	Karvy Computershare Private Limited
Renouncees	Any persons who has / have acquired Rights Entitlements from an Eligible Equity Shareholder
Retail Individual Investor	Individual Investors who have applied for Rights Equity Shares and whose Application Money is not more than ₹200,000 (including HUFs applying through their karta)
Rights Entitlement	The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date
Rights Equity Share(s)	The partly paid up Equity Share(s) offered in this Issue
SAF(s)	Split Application Form(s)
SCSB(s)	A Self Certified Syndicate Bank, registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and/ or such other website(s) as may be prescribed by the SEBI / Stock Exchange(s) from time to time
Second Call	[●]
Share Certificate(s)	The certificate in respect of the Rights Equity Shares allotted to a folio in a physical form
Stock Exchanges	BSE and NSE, where our Equity Shares are presently listed and traded
Third Call	[●]
Third and Final Call Notice	[●]
Wilful Defaulter	Company or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the

Term	Description
	guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorised as such
Working Days	All days other than second and fourth Saturdays of the month, Sundays or public holidays, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) Issue period, shall mean all days except Saturday, Sunday and public holidays on which commercial banks in Mumbai are open for business and (b) the time period between the Issue Closing Date and the listing of the Rights Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Conventional, General, Industry terms and Abbreviations

Term	Description
AGM	Annual General Meeting
AIF	Alternate Investment Fund
AMFI	Association of Mutual Funds in India
ARC	Asset Reconstruction Company
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services Limited
Civil Procedure Code	Code of Civil Procedure, 1908, as amended
Client ID	Beneficiary account identity
CLRA	The Contract Labour (Regulation and Abolition) Act, 1970, as amended
Companies Act	Companies Act, 1956 and/ or the Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956, and the rules thereunder, as the context requires
Companies Act, 2013	The Companies Act, 2013, and the rules and clarifications issued thereunder to the extent in force pursuant to the notification of the Notified Sections
Competition Act	The Competition Act, 2002, as amended
CRISIL	A global analytical company providing ratings, research, and risk and policy advisory services
CRISIL Report	"NBFC Report" dated October 2016 by CRISIL
DDP	Designated Depository Participant
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996, as amended
Depositories Act	The Depositories Act, 1996, as amended
Depository Participant or DP	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion
EPF Act	The Employees (Provident Fund and Miscellaneous Provisions) Act, 1952, as amended
EPS	Earnings per equity share, i.e., net profit after tax attributable to equity shares for a financial year divided by the weighted average number of equity shares during the financial year
ESI Act	The Employees State Insurance Act, 1948, as amended
FCRA	The Forward Contracts (Regulation) Act, 1952, as amended
FCRR	The Forward Contracts (Regulation) Rules, 1954

Term	Description
FDI	Foreign Direct Investment
FDI Policy 2017	The FDI policy of 2017, issued by the DIPP with effect from August 28, 2017
FEMA	Foreign Exchange Management Act, 1999, as amended, together with rules and regulations thereunder
Financial Year/Fiscal	The period of 12 months beginning April 1 and ending March 31 of that particular year, unless otherwise stated
FII	Foreign Institutional Investors
FMC	Forward Markets Commission
FPI	Foreign Portfolio Investors
FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
FVCI or foreign venture capital investors	Foreign venture capital investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended) registered with SEBI
Gratuity Act	The Payment of Gratuity Act, 1972, as amended
Government or GoI or Central Government	Government of India
ICAI	Institute of Chartered Accountants of India
ICRA Report	"Indian Brokerage Industry" dated September 2017, by ICRA Limited
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Ind AS	Indian Accounting Standards
IT Act	The Income Tax Act, 1961, as amended
Indian GAAP	The generally accepted accounting principles in India
Industrial Policy	The industrial policy and guidelines issued by the Ministry of Industry, GoI
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
MCA	Ministry of Corporate Affairs
Merchant Bankers Regulations	The Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
MoU	Memorandum of Understanding
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC	Non- Banking Financial Company
NBFC-ND	Non-Banking Financial Company which does not accept public deposits
NBFC-ND RBI Directions	The Non-Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, as amended
Non Resident	Persons resident outside India as defined in the FEMA
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the Ministry of Corporate Affairs, Government of India, and are currently in effect
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCBs	Overseas Corporate Bodies
P/E	Price/Earning
Portfolio Investment Scheme	The portfolio investment scheme of RBI specified in Schedule 2 of the Foreign Exchange Management (Transfer or Issue of Security

Term	Description
	by a Person Resident Outside India) Regulations, 2000, as amended
Portfolio Managers Regulations	The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, as amended
Prudential Norms	The Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, as amended
Public Deposit Directions	The Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998, as amended
RBI Act	The Reserve Bank of India Act, 1934, as amended
RBI Securitization Directions	The Securitisation Companies and Reconstruction Companies (Reserve Bank) Guidelines and Directions, 2003, amended by the master circular no. DNBR.(PD).CC.No.03/SCRC/26.03.001/2015-16 dated July 1, 2015
RCs	Reconstruction Companies
Regulation S	Regulation S under the Securities Act
Restated Consolidated Financial Statements	The restated consolidated financial statements of our Company, along with our Subsidiaries as of, and for the Financial Years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, and comprises the restated consolidated balance sheet, the restated consolidated statement of profit and loss, and the restated consolidated cash flow statement, together with the annexures and notes thereto, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations
Restated Financial Statement	Collectively, the Restated Consolidated Financial Statements and the Restated Standalone Financial Statements
Restated Standalone Financial Statements	The restated standalone financial statements of our Company as of, and for the Financial Years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, which comprises the restated standalone balance sheet, the restated standalone statement of profit and loss and the restated standalone cash flow statement, together with the annexures and notes thereto, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
Rupees/₹/Rs.	The lawful currency of India
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, as amended
SCRA	The Securities Contracts (Regulation) Act, 1956, as amended
SCs	Securitization Companies
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI Depositories Regulations	The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Term	Description
Securities Act	The United States Securities Act of 1933, as amended
Stock Broker Regulations	The Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992, as amended
Supreme Court	Supreme Court of India
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Underwriters Regulations	The SEBI (Underwriters) Regulations, 1993, as amended
U.S. GAAP	Generally accepted accounting principles in the United States of America
VCF(s) or Venture capital funds	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the Companies Act, the Depositories Act and the rules and regulations made thereunder. Notwithstanding the foregoing, terms under the "*Financial Statements*" and "*Statement of Tax Benefits*" on pages 216 and 119, respectively, shall have the meanings given to such terms in these respective sections.

NOTICE TO INVESTORS

The distribution of the Letter of Offer, Abridged Letter of Offer and CAFs and the issue of the Rights Equity Shares, to persons in certain jurisdictions outside India, may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer or CAF may come are required to inform themselves about and observe such restrictions. We are making this Issue of Equity Shares on a rights basis to the Eligible Equity Shareholders and will dispatch the Letter of Offer, Abridged Letter of Offer and CAFs to such Eligible Equity Shareholder who have provided an Indian address. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Letter of Offer, Abridged Letter of Offer and CAFs, shall not be sent the Letter of Offer, Abridged Letter of Offer and CAFs.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer has been filed with SEBI for observations. Accordingly, the Rights Entitlement or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, Abridged Letter of Offer or CAF may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer or CAF will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer or CAF must be treated as sent for information only and should not be copied, redistributed or acted upon. Accordingly, persons receiving a copy of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer and CAF should not, in connection with the issue of the Rights Entitlements or Rights Equity Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations. If this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer and CAFs is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Rights Equity Shares referred to in this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer and CAF. Envelopes containing an Application should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address.

Any person who makes an application to acquire Rights Entitlement and the Rights Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that he is authorised to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. We, the Registrar, the Lead Manager or any other person acting on behalf of us, reserve the right to treat any Application as invalid where we believe that Application is incomplete or acceptance of such Application may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application. Neither the delivery of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer and CAF nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer.

The contents of this Draft Letter of Offer, the Letter of Offer and Abridged Letter of Offer should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Rights Equity Shares. As a result, each Investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of Rights Equity Shares. In addition, neither our Company nor the Lead Manager are making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act, or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof ("United States" or "U.S.") or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act ("Regulation S"), except in a transaction not subject to, or exempt from the registration requirements of the Securities Act. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. The Rights Entitlements referred to in this Draft Letter of Offer are being offered in India, but not in the United States. The offering to which this Draft Letter of Offer is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights. Accordingly, this Draft Letter of Offer should not be forwarded to or transmitted in or into the United States at any time.

In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirement of the Securities Act. Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. Envelopes containing a CAF should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer, no payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of the Equity Shares in India. Our Company is making this issue of Equity Shares on a rights basis to the Eligible Equity Shareholders of our Company and this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer and CAF will be dispatched to the Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlement and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed: (i) that it is not and that, at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; (ii) it is not a U.S. person and does not have a registered address (and is not otherwise located) in the United States; and (iii) is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company reserves the right to treat as invalid any Application which: (i) does not include the certification set out in the Application to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorised to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations; (ii) appears to our Company or its agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application is incomplete or acceptance of such Application may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application. Rights Entitlement may not be transferred or sold to any person in the United States.

NOTICE TO GDR HOLDERS

The GDRs of our Company were issued pursuant to the deposit agreement between the Company and Deutsche Bank Trust Company Americas ("**Depositary**") dated April 14, 2008 ("**Deposit Agreement**"). Pursuant to the provisions of the Deposit Agreement, the Depositary has appointed ICICI Bank Limited as Custodian to receive and hold on its behalf the share certificates in respect of certain equity shares. Our GDRs are listed on the Luxembourg Stock Exchange.

The Depositary for the Equity Shares underlying the GDRs will deal with the Rights Entitlements corresponding to the GDRs in accordance with the applicable laws and in the manner specified in the Deposit Agreement entered into for the issuance of the GDRs.

PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

Certain Conventions

All references herein to ‘India’ are to the Republic of India and its territories and possessions and the ‘Government’ or ‘GoI’ or the ‘Central Government’ or the ‘State Government’ are to the Government of India, Central or State, as applicable. Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions.

In this Draft Letter of Offer, references to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable.

Financial Data

Unless the context otherwise requires, our financial data in this Draft Letter of Offer is derived from the Restated Financial Statements of our Company and its Subsidiaries which have been prepared in accordance with Indian GAAP, applicable standards and guidance notes specified by the Institute of Chartered Accountants of India, applicable accounting standards prescribed by the Institute of Chartered Accountants of India, Companies Act, as applicable and other applicable statutory and / or regulatory requirements and restated in accordance with the SEBI ICDR Regulations.

Our fiscal year commences on April 1 of each calendar year and ends on March 31 of the following calendar year, so all references to a particular “fiscal year” or “Fiscal” are to the 12 month period ended on March 31 of that year.

Indian GAAP differs in certain significant respects from IFRS. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures based on the Indian GAAP financials presented in this Draft Letter of Offer should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Introduction of Ind-AS and Impact on Preparation and Presentation of our Historical and Future Financial Statements

We will be required to prepare annual and interim financial statements under Indian Accounting Standard 101 “First-time Adoption of Indian Accounting Standards” (“Ind-AS”) with effect from April 1, 2018 with corresponding periods in the previous fiscal year. We currently prepare our annual and interim financial statements under Indian GAAP. Given that Ind-AS differs in many respects from Indian GAAP, our financial statements relating to any period subsequent to April 1, 2018 (and for any prior corresponding periods in the previous fiscal year) may not be comparable to our historical financial statements prepared under Indian GAAP. There can be no assurance that the adoption of Ind-AS will not materially affect the preparation and presentation of our financial statements in the future. In addition, there can be no assurance that if Ind-AS were to be applied to our historical financial statements prepared under Indian GAAP, there will not be material differences in applicable accounting policies and standards that will require material adjustments to our historical financial statements prepared under Indian GAAP.

For a summary of the significant qualitative differences between Indian GAAP and Ind AS as applicable to our Company, see “*Significant Differences Between Indian GAAP and Ind AS*” on page 363.

Owing to a lack of precedents we have not determined with any degree of certainty the impact of the adoption of Ind AS on our financial statements. However, we know that the Ind AS will change our methodology for certain items of financials. Accordingly, our financial statements for the period commencing from April 1, 2018 may not be comparable to our historical financial statements and our financial statements for the year ended March 31, 2017 prepared under Indian GAAP may not be comparable to our financial statements for the year ended March 31, 2017 prepared under Ind AS for comparison purposes.

We acquired India Land and Properties Limited ("**ILPL**"), a real estate development company with effect from November 18, 2014, and sold ILPL with effect from March 16, 2017. Our Restated Consolidated Financial Statements included in this Draft Letter of Offer therefore reflects the business and financial performance of ILPL for the period between November 18, 2014 and March 16, 2017.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Market and Industry Data

Unless stated otherwise, industry and market data used in this Draft Letter of Offer have been obtained or derived from publicly available information as well as industry publications and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decision should be made on the basis of such information. Although we believe that industry data used in this Draft Letter of Offer is reliable, it has not been independently verified and neither we, nor the Lead Manager nor any of their affiliates, jointly or severally, make any representation as to its accuracy or completeness. The extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors*" on page 19.

Currency of Presentation

All references to the "Rupees" or "₹" or "Rs." are to Indian Rupees, the official currency of the Republic of India.

Unless stated otherwise, throughout this Draft Letter of Offer, all figures have been expressed in millions.

Exchange Rate

The following table provides information with respect to the exchange rate for the Indian rupee per US$1.00. The exchange rates are based on the reference rates released by the Reserve Bank of India, which is available on the website of RBI. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

(in ₹)

Currency	**As on March 31, 2013**	**As on March 31, 2014**	**As on March 31, 2015**	**As on March 31, 2016**	**As on March 31, 2017**	**As on June 30, 2017**
1 US$*	54.39	60.10	62.59	66.33	64.84	64.74

**Source: RBI reference rate at the end of the period (www.rbi.org.in) In case March 31 of any of the respective years is a public holiday, the previous working day has been considered.*

FORWARD LOOKING STATEMENTS

Certain statements contained in this Draft Letter of Offer that are not statements of historical fact constitute 'forward-looking statements'. Our Company has included statements in this Draft Letter of Offer which contain words or phrases such as 'may', 'shall' 'should', 'will', 'would', 'aim', 'believe', 'expect', 'anticipate', 'continue', 'will continue', 'can', 'could', 'intend', 'plan', 'seek to', 'future', 'objective', 'goal', 'project', 'potential', 'future', 'forecast', 'guideline' and similar expressions or variations of such expressions, that are or may be deemed to be forward looking statements. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. Forward-looking statements are not guarantees of performance and are based on certain assumptions, future expectations, describe plans and strategies, contain projections of results of operations or of financial condition or state other forward-looking information.

Forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results to differ materially from our Company's expectations include, amongst others:

- our limited operating history in our lending business and our ARC business, makes it difficult to accurately assess our future growth prospects;
- our acquisition of ILPL through our subsidiary IDSL with effect from November 18, 2014, which we subsequently sold with effect from March 16, 2017;
- investments in partly paid-up Equity Shares;
- fluctuations in interest rates that could affect our lending business;
- intense competition in our lending business;
- interruptions or limitations on our ability to utilize any of the available means of processing deposits or payments;
- reliance by IVLFL on third party data sources to perform certain key functions and failure to access data sources as a result of operational or technological failure, including cybersecurity attacks; and
- dependence in relation to our lending business on lead providers and marketing affiliates who assist us in obtaining new customers.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in *"Risk Factors"* on page 19. Whilst we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Draft Letter of Offer or the respective dates indicated in this Draft Letter of Offer, and our Company undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

SECTION II – RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all the information disclosed in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only risks relevant to us or the Equity Shares or the industry in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business prospects, results of operations and financial condition. In order to obtain a complete understanding about us, investors should read this section in conjunction with "Our Business", "Industry Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 139, 54 and 334 respectively, as well as the other financial information included in this Draft Letter of Offer. If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Offer.

This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer. For further information, see "Forward-Looking Statements" on page 18.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Statements for Fiscal 2013, 2014, 2015, 2016 and 2017 included in this Draft Letter of Offer. For further information, see "Financial Statements" on page 216.

In this section, unless the context otherwise requires, a reference to "our Company" is a reference to Indiabulls Ventures Limited on a standalone basis, while any reference to "we", "us" or "our" is a reference to Indiabulls Ventures Limited on a consolidated basis.

Internal Risk Factors

1. We have a limited operating history in our lending business and our ARC business, which makes it difficult to accurately assess our future growth prospects.

Our lending business and ARC business are relatively new. In our lending business, we have not yet commercially launched our mobile application "Dhani", and we are yet to commence commercial operations in our ARC business. As such, we have a very limited operating history in these businesses, and our success is dependent on our ability to effectively implement these businesses. Although our lending business and ARC business management teams have many years of experience in relevant industries, the financial services industry, in particular, the lending business, is a rapidly evolving industry that may not develop as expected. Assessing the future prospects of our business is challenging in light of both known and unknown risks and difficulties we may encounter, and could place significant demands on the management team and our other resources.

Growth prospects in the lending business can be affected by a wide variety of factors including: competition from other online and traditional lenders; regulatory limitations on the products we can offer and markets we can serve; other changes in the regulation; access to important marketing channels including TV and mass media, search engine marketing and strategic partnerships with affiliates; changes in customer behavior; access to adequate financing; increasingly sophisticated fraudulent borrowing and online theft; challenges with new products and new markets; and fluctuations in the credit markets and demand for credit.

Similarly, growth prospects in our ARC business can be affected by a wide variety of factors including: limited availability of stressed assets during phases of economic growth; overall improvement in bank asset quality due to a boost in the Indian economy; competition from established ARCs in India; regulatory limitations on the manner in which ARCs may conduct operations; and the regulatory framework for banks and financial institutions, in particular the recently enacted Insolvency and Bankruptcy Code, 2016.

Any failure on our part to scale up our infrastructure and management to meet the challenges associated with implementing these businesses could cause disruptions to our operations and could be detrimental to our long-term business outlook.

2. We acquired ILPL through our Subsidiary Indiabulls Distribution Serviced Limited with effect from November 18, 2014, which we subsequently sold with effect from March 16, 2017. Our Restated Consolidated Financial Statements during this period will not be comparable to our results of operations prior to the acquisition of, or subsequent to the disposal of, ILPL.

We acquired ILPL through our Subsidiary, Indiabulls Distribution Services Limited, with effect from November 18, 2014, which we subsequently sold with effect from March 16, 2017. Our Restated Consolidated Financial Statements reflect the business and operations of ILPL for the period between November 18, 2014 and March 16, 2017. For further information, see "*Management's Discussion and Analysis of Financial Condition and Reuslts of Operation – Recent Developments*" on page 335. In addition, see "*Note 40 - Restated Consolidated Financial Statements*" on page 275.

Accordingly, our assets and liabilities as of March 31, 2015 and as of March 31, 2016 reflected in our Restated Consolidated Financial Statements is not comparable with our assets and liabilities reflected in Restated Consolidated Financial Statements either prior to the acquisition of, or subsequent to the disposal of, ILPL. Similarly our Restated Consolidated Financial Statements reflects the business and operations of ILPL for the period between November 18, 2014 and March 16, 2017, and our results of operations during such period is not comparable to our results of operations prior to the acquisition of, or subsequent to the disposal of, ILPL. Accordingly, our future financial condition and results of operations will not be comparable to our historical financial condition and results of operations during the period we owned ILPL. This Draft Letter of Offer does not include any pro forma profit and loss statement or balance sheet prepared in accordance with the laws and regulations of the United States or any other jurisdiction, which would have shown the effect of the disposition of ILPL with effect from March 16, 2017.

Potential investors are therefore cautioned against placing undue reliance on any discussions relating to the busines operations and the effect of the business of ILPL on our historical financial performance as discussed in the sections "*Our Business*" and "*Management's Discussion and Analysis of our Financial Condition and Results of Operations*" beginning on pages 139 and 334, respectively.

3. Investment in partly paid-up Equity Shares in the Issue is exposed to certain risks. The partly paid-up Equity Shares of our Company will not be traded with effect from the Call Record Date fixed for the determination of the Investors liable to pay at the First and Final Call. The holders of the partly paid up Equity Shares will not be able to trade in these shares till they are credited to the holders' account as fully paid-up.

The Issue Price of Equity Shares of our Company is ₹ [●] per Rights Equity Share. Investors will have to pay ₹ [●] which constitutes [●]% of the Issue Price on application and the balance ₹ [●] which constitutes [●]% of the Issue Price on the First, Second and Final Calls made by our Company. The Equity Shares offered under the Issue will be listed under a separate ISIN for the period as may be applicable prior to the record date for the Third and Final Call. An active market for trading may not develop for the partly paid-up Rights Equity Shares and therefore, the trading price of the partly paid-up Rights Shares may be subject to greater volatility than our Equity Shares.

If the Investor fails to pay the balance amount due with any interest that may have accrued thereon after notice has been delivered by our Company, then any of our Rights Equity Shares in respect of which such notice has been given may, at any time thereafter, before payment of the call money and interest and expenses due in respect thereof, be forfeited. For further information, see "*Terms of the Issue*" on page 403. Such forfeiture shall include all dividends declared in respect of such forfeited Rights Shares and actually paid before such forfeiture. Investors are only entitled to dividend in proportion to the amount paid up and the voting rights exercisable on a poll by Investors shall also be proportional to such Investor's share of the paid-up equity capital of our Company. If certain Investors do not pay the full amount, we may not be able to raise the amount proposed under the Issue.

The ISIN representing partly paid-up Equity Shares will be terminated after the Call Record Date. On payment of the Third and Final Call in respect of the partly paid-up Equity Shares, such partly paid-up Equity Shares would be converted into fully paid-up Equity Shares and shall be listed and identified under the existing ISIN for the Equity Shares. Our Company would fix a Call Record Date for the purpose of determining the list of Allottees to whom the notice for the Third and Final Call would be sent. With effect from the Call Record Date, trading in the partly paid-up Equity Shares for which Third and Final Call have been made, would be suspended for such period as may be applicable under the rules and regulations. The holders of the partly paid-up Rights Equity Shares will not be able to trade in these shares until they are credited to the holders account as fully paid-up Rights Equity Shares.

4. Our lending business is particularly affected by interest rate volatility. Fluctuations in interest rates could adversely affect our interest income and cost of funds, which could adversely affect our results of operations and cash flows.

Our lending business and results of operations relating to such business will continue to be significantly dependent upon the amount of our interest income and cost of funds. Interest rates are sensitive to many factors beyond our control, including the monetary policies of the RBI, economic and political conditions in India and globally, inflation and other factors. Our ability to pass on any increase in interest rates depends on our borrowers' willingness to pay higher rates and the competitive landscape in which we operate. In addition, interest-earning assets tend to re-price more quickly than interest-bearing liabilities. We borrow funds on both fixed and floating rates. Our floating rate borrowings are primarily term loans with banks that are typically linked to banks' marginal cost of funds based lending rates ("MCLRs"). Our loan products may also comprise fixed and floating interest rates, if any. Our asset-liability strategy aims to ensure that there are no excessive concentrations on either side of the balance sheet. We diversify and will continue to diversify our borrowing mix across borrowing instruments and tenors in an endeavour to match both the fixed and floating rate mix of our loan book and the tenors of such loans. If we are unable to match our lending portfolio with our borrowings, we would be exposed to interest rate and liquidity risks as a result of lending to customers at interest rates and in amounts and for periods that may differ from our funding sources. Any increase in the interest rates applicable to our liabilities without a corresponding increase in the interest rates applicable to our assets will result in a decline in our net interest income and would have an adverse effect on our results of operations and cash flows.

Furthermore, in the event of rising interest rates, our borrowers may be unwilling to pay correspondingly higher interest rates on their borrowings and may choose to repay their loans from us if they are able to switch to more competitively priced advances. Additionally, increases in the rates of interest charged on our floating rate loans, if any, may result in higher instalments due from borrowers, which, in turn, could result in higher rates of default and an increase in NPAs. There can be no assurance that we will be able to adequately manage our interest rate risk in the future and if we are unable to do so, this could have an adverse effect on our net interest margin.

5. There are outstanding litigation proceedings against our Company, Subsidiaries, Promoters, Directors, and Group Companies an adverse outcome in which, could have a material adverse impact on our reputation, business, financial condition, results of operations and cash flows.

Our Company, Subsidiaries, Promoters, Directors and Group Companies are involved in certain legal proceedings. A summary of the litigations and disputes against the Company, Subsidiaries, Promoters, Directors and Group Companies, involving potential financial implication on the net worth of the Company, is in the following tables:

Litigation against our Company

Nature of Litigation	Number of Outstanding Litigation	Amount Involved (in ₹)
Civil Proceedings	65	111,688,552
Criminal Proceedings	2	Nil
Tax Proceedings	2	6,991,020
Arbitration Proceedings	Nil	Nil
Total	**69**	**118,679,572**

Litigation against our Promoters

Nature of Litigation	Number of Outstanding Litigation	Amount Involved (in ₹)
Civil Proceedings	5	8,660,000
Criminal Proceedings	10	-
Tax Proceedings	Nil	Nil
Arbitration Proceedings	Nil	Nil
Total	**15**	**8,660,000**

Litigation against our Directors

Nature of Litigation	Number of Outstanding Litigation	Amount Involved (in ₹)
Civil Proceedings	3	329,395
Criminal Proceedings	8	3,800,000
Tax Proceedings	Nil	Nil
Arbitration Proceedings	Nil	Nil
Total	**11**	**4,129,395**

Litigation against our Subsidiaries and Group Companies

Nature of Litigation	Number of Outstanding Litigation	Amount Involved (in ₹)
Civil Proceedings	14	1,66,54,829
Criminal Proceedings	1	-
Tax Proceedings	3	21,524,950
Arbitration Proceedings	Nil	Nil
Total	**17**	**38,179,779**

These legal proceedings are pending at different levels of adjudication before various courts, tribunals and appellate tribunals. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally from us and other parties. Such proceedings could divert management time and attention, and consume financial resources in their defence or prosecution. Should any new developments arise, such as any change in applicable Indian law or any rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase expenses and liabilities. An adverse outcome in any such proceedings may affect our business, results of operations and financial condition.

Our Company has, in the past, received notices from various statutory and regulatory authorities, including SEBI in relation to, amongst other things, alleged violations of SEBI (Prohibition of Fraudulent and Unfair Trade Practises relating to Securities Market) Regulations, 2003, Takeover Regulations and Stock Brokers Regulations. In addition, there have been certain inquiries, adjudications and prosecutions initiated against our Company and ICL, one of our Subsidiaries and certain administrative orders passed against our Company by SEBI. In the event we are required to pay any penalties, our business, results of operations and financial condition would be adversely affected. For further information see "*Other Regulatory and Statutory Disclosures*" and "*Outstanding Litigations and Material Developments*" on pages 387 and 371.

6. We expect to face intense competition in our lending business, which may result in declining margins if we are unable to compete effectively.

Our competitors in the lending business include established scheduled commercial banks, NBFCs, small finance banks, microfinance companies, customer loan companies, online lenders, credit card companies, and other financial institutions that offer similar financing products and services in the private unorganized and informal financiers who principally operate in the local market. Many other financial institutions or other businesses that do not currently offer products or services in the customer lending space, many of whom may be much larger than us, could begin doing so. In addition, due to the nature of this business, we do not enter into long term contracts with our customers, and may lose our customers to other companies involved in the same business. Significant increases in the number and size of competitors for our business could result in a decrease in the number of loans that we fund, resulting in lower levels of revenue and earnings in these categories. In particular, many of our competitors may have operational advantages in terms of access to cost-effective sources of funding, in implementing new technologies and in rationalising related operational costs.

The RBI has liberalised the licensing regime for banks in India and intends to issue licences on an ongoing basis, subject to meeting the criteria laid down by RBI. The RBI is supportive of creating more specialised banks and granting differentiated banking licenses such as for payment banks and small finance banks. The RBI also has plans to create wholesale and long-term finance banks in the near future. In November 2014, the RBI released guidelines for licensing of payment banks and for licensing of small finance banks in the private sector. On August 19, 2015 the RBI granted in-principle approval to 11 applicants to set up payment banks. In September 2015, the RBI granted in-principle licences to 10 applicants for small finance banks. The RBI has also released guidelines with respect to a continuous licensing policy for universal banks in August 2016. The RBI has also put in the public domain, on April 7, 2017, a discussion paper on wholesale and long-term finance banks. We believe that these developments will further intensify the competition in the financial services sector. Some of the public, private sector, and foreign banks have subsidiaries and affiliates operating as NBFCs with significant market share, distribution reach and product portfolio, and we also compete with them for our lending business. Liberalisation of the Indian financial services sector could also lead to a greater presence or new entries of Indian and foreign banks, NBFCs and other entities operating in the financial services sector offering a wider range of products and services, including personal loans, which could adversely affect our competitive environment. There can be no assurance that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive retail and SME loans business. Increasing competition may also result in relatively slower growth and lower net interest margin, and consequently may have an adverse effect on our results of operations and financial condition.

Competitors of our business may operate, or begin to operate, under business models less focused on legal and regulatory compliance, which could put us at a competitive disadvantage. Competitors using these models may be able to lend in a manner that we are not able to or may have higher revenue per customer. To the extent that our customer lending model or other new lending models gain acceptance among customers and small businesses, demand for our products may be adversely affected. We may be unable to compete successfully against any or all of our current or future competitors. Any such changes in our competition could materially adversely affect our business, prospects, results of operations, financial condition and cash flows.

7. We intend to use the proceeds of this Issue towards investments in our Subsidiaries, some of which are engaged in businesses which may have contributed less than 25% to our revenues in the last three fiscal years and cannot assure returns pursuant to such investments.

We intend to utilise the entire Net Proceeds to fund certain of our Subsidiaries by way of investment in the IVLFL and IARCL. We intend to the entire Net Proceeds of our Issue (excluding funds earmarked towards general corporate purposes) towards investment in our Subsidiary, IVLFL and IARCL, constituting 70% and

5% of the Net Proceeds, respectively. These Subsidiaries are engaged in businesses which have contributed less than 25% to our revenues in the last three Fiscal Years, and the entire Net Proceeds shall be used for the growth of these businesses. These Subsidiaries are unlisted companies and their activities and records are not subject to public scrutiny. Further, our Company is not assured of any dividends pursuant to such investments. For further information, see "*Objects of the Issue*" on page 110.

8. Our access to payment processing systems to disburse and collect loan and financing proceeds and repayments, is critical to our lending business, and any interruption or limitation on our ability to utilize any of the available means of processing deposits or payments could materially adversely affect our business.

While making loans and providing financing, we use several means of depositing proceeds into and collecting repayments from our customers' bank accounts, including the use of automated clearing houses. Our lending business, including loans made through our proposed "Dhani" mobile application, may depend on payment processing systems to collect amounts due by repayments from our customers' bank accounts when we have obtained authorization to do so from the customer. Our transactions are processed by banks, and if these banks cease to provide any of the available means of payment processing services, we would have to materially alter, or possibly discontinue, some or all of our business if alternative processing methods are not as effective or not available. In the event that applicable regulatory authorities in India discourage banks and automated clearing houses and payment processors from providing access to such payment systems for customer loans of the nature that we propose to focus on, such heightened regulatory scrutiny by such regulatory authorities may result in banks and automated clearing houses and payment processors to cease doing business with customer lenders such as us. In addition, we may be required to comply with various regulatory requirements and conditions for the continued access to such automated clearing houses and payment processing systems. As a result of such developments, our access to the such automated clearing houses and payment processing systems could be restricted, associated costs could increase and we may need to make changes to our business practices. Our access to payment processing systems could be impaired as a result of actions by regulators to cut off the access to payment processing systems. The financial institutions we depend on may choose to discontinue providing such processing and similar services to us. If our access to the means of payment processing is impaired, we may find it difficult or impossible to continue or grow our lending business, which could have a material adverse effect on our business, prospects, results of operations, financial condition and cash flows. If we are unable to maintain access to needed services on favorable terms, we would have to materially alter, or possibly discontinue, some or all of our lending business if alternative processors are not available.

9. As part of our lending business, IVLFL will rely on third party data sources to perform certain key functions and any failure to access those data sources as a result of operational or technological failure, including cybersecurity attacks on our third party data sources could result in the interruption of our operations and systems and could result in significant costs and reputational damage to us.

As part of its lending business, IVLFL will rely on third party data sources for certain information, such as "Aadhar" or unique identification number, of loan applicants based on which the data analytics software will be able to process the information. For instance, the applicant's details will be sourced from various websites, payment bureau and third party vendors and settlement of funds will be facilitated by payment processing systems by linking the data analytics software to such websites. Some of these third party data sources are currently, and may, in the future, be vulnerable to data privacy violation claims. If these claims are established and these data sources are no longer available to us, we will have to find alternate sources for such data which may increase our operational costs and adversely impact our results of operations. These third party data sources are also susceptible to operational and technology vulnerabilities and are also exposed to changes in regulations, which may impact our business.

In addition, these third party data sources may rely on other parties (sub-contractors), to provide services to us which also face similar risks. For example, external content providers provide us with financial information, market news, quotes, research reports and other fundamental data that we offer to clients.

Any significant failures or security breaches by or of our third party data sources or their sub-contractors, including any actual or perceived cybersecurity attacks, security breaches, fraud, phishing attacks, acts of vandalism, information security breaches and computer viruses which could result in unauthorized access, misuse, loss or destruction of data, an interruption in extraction of data or other similar events could interrupt our business, cause us to incur losses, subject us to fines or litigation and harm our reputation. An interruption in or the cessation of service by any third party data source and our inability to make alternative arrangements in a timely manner could have a material impact on our ability to offer certain products and services and cause us to incur losses. We cannot assure that any of these third party data sources or their subcontractors will be able to continue to provide their products and services in an efficient, cost effective manner, if at all, or that they will be able to adequately expand their services to meet our needs and those of our customers. We may incur significant additional costs to implement enhanced protective measures and technology, to investigate and remediate vulnerabilities or other exposures or to make required notifications.

10. We have applied for registration of several trademarks including our logos Dhani , Dhani PHONE SE LOAN! and Indiabulls that are currently pending before the concerned authorities. Failure to obtain the registration of such trademarks may have adverse effect on our business and goodwill.

We have applied for registration of several trademarks, including our logos Dhani , Dhani PHONE SE LOAN! and Indiabulls, that are currently pending before the concerned authorities. Our applications for registration of such trademarks may be rejected by the concerned authorities. If we are unable to obtain the registration of the trademarks applied for, such rejection may have an adverse effect on our business and our goodwill. For further information on our trademarks, see "*Government and Other Approvals*" on page 381.

Our name and trademarks are significant to our business and operations. We believe that several of our trade names have significant brand recognition in their respective industries. Any adverse decision by the adjudicating authority may prevent us from registering and using such trademarks.

11. We may be subject to intellectual property disputes, which are costly to defend and could harm our business and operating results.

We may, in the future, face allegations that we have infringed the trademarks, copyrights, patents or other intellectual property rights of third parties, including from our competitors or non-practicing entities, for passing off. Our name and trademarks are significant to our business and operations. We believe that several of our trade names have significant brand recognition in their respective industries. Any adverse decision by the adjudicating authority may prevent us from registering and using such trademarks.

Further, patent and other intellectual property litigation may be protracted and expensive, and the results are difficult to predict and may require us to stop offering certain products or product features, acquire licenses, which may not be available at a commercially reasonable price or at all, or modify our products, product features, processes or websites while we develop non-infringing substitutes.

In addition, we use open source software in our technology platform and plan to use open source software in the future. We may face claims from parties claiming ownership of, or demanding release of, the source code or derivative works that were developed using such software, or otherwise seeking to enforce the terms of the applicable open source license. These claims could also result in litigation, require us to purchase a costly license or require us to devote additional research and development resources to change our platform, any of which could have a negative effect on our business and operating results.

We are subject to cyber security risks and security breaches and may incur increasing costs in an effort to minimize those risks and to respond to cyber incidents.

Our business involves, and as our lending business grows, our business will increasingly involve, the storage and transmission of customers' and businesses' personal information, and security breaches could expose us to a risk of loss or misuse of this information, litigation, and potential liability. We are dependent on the secure operation of our websites and systems as well as the operation of the internet generally. While we have incurred no material cyberattacks or security breaches to date, a number of other companies have disclosed cyber-attacks and security breaches, some of which have involved intentional attacks. Attacks may be targeted at us, our customers, or both. Although we devote significant resources to maintain and regularly upgrade our systems and processes that are designed to protect the security of our computer systems, software, networks and other technology assets and the confidentiality, integrity and availability of information belonging to us and our customers, our security measures may not provide absolute security. Despite our efforts to ensure the integrity of our systems, it is possible that we may not be able to anticipate or to implement effective preventive measures against all security breaches of these types, especially because the techniques used change frequently or are not recognized until launched, and because cyber-attacks can originate from a wide variety of sources, including third parties outside the company such as persons who are involved with organized crime or associated with external service providers or who may be linked to terrorist organizations or hostile foreign governments. These risks may increase in the future as we continue to increase our mobile and other internet-based product offerings, including in particular our mobile based lending application "Dhani", and expand our internal usage of mobile-based and web-based products and applications. If an actual or perceived breach of security occurs, customer and/ or supplier perception of the effectiveness of our security measures could be harmed and could result in the loss of customers, suppliers or both. Actual or anticipated attacks and risks may cause us to incur increasing costs, including costs to deploy additional personnel and protection technologies, train employees, and engage third party experts and consultants.

A successful penetration or circumvention of the security of our systems could cause serious negative consequences, including significant disruption of our operations, misappropriation of our confidential information or that of our customers, or damage to our computers or systems or those of our customers and counterparties, and could result in violations of applicable privacy and other laws, financial loss to us or to our customers, loss of confidence in our security measures, customer dissatisfaction, significant litigation exposure, and harm to our reputation, all of which could have a material adverse effect on us. In addition, our applicants provide sensitive information, including bank account information when applying for loans or financing. We rely on encryption and authentication technology licensed from third parties to provide the security and authentication to effectively secure transmission of confidential information, including customer bank account and other personal information. Advances in computer capabilities, new discoveries in the field of cryptography or other developments may result in the technology used by us to protect transaction data being breached or compromised. Data breaches can also occur as a result of non-technical issues.

Our servers are also vulnerable to computer viruses, physical or electronic break-ins, and similar disruptions. We may need to expend significant resources to protect against security breaches or to address problems caused by breaches. Security breaches, including any breach of our systems or by persons with whom we have commercial relationships that result in the unauthorized release of customers' or businesses' personal information, could damage our reputation and expose us to a risk of loss or litigation and possible liability. In addition, many of the third parties who provide products, services or support to us could also experience any of the above cyber risks or security breaches, which could impact our customers and our business and could result in a loss of customers, suppliers or revenue.

Any of these events could result in a loss of revenue and could have a material adverse effect on our business, prospects, results of operations, financial condition and cash flows.

12. Because of the unsecured nature of our personal and business loans, we may experience a high rate of net charge-offs as a percentage of revenues, and our ability to price appropriately in response to this and other factors is essential. We rely on credit scoring models in the forecasting of loss rates. If we are unable to effectively forecast loss rates, it may negatively impact our operating results.

Because of the unsecured nature of our personal and business loans, it is essential that our products are appropriately priced, taking into account a possible high rate of net charge-off and all other relevant factors. In making a decision whether to extend credit to prospective customers, and the terms on which we are willing to provide credit, including the price, we rely heavily on our credit scoring models, which comprise an empirically derived suite of statistical models built using third party data, data from customers and our credit experience gained through monitoring the performance of customers over time. Our credit scoring models are based on previous historical experience. Typically, however, our models will become less effective over time and may need to be redeveloped regularly to perform optimally. If our credit scoring models are not redeveloped as required or if they do not perform up to target standards we may experience increasing defaults or higher customer acquisition costs.

If our credit scoring models fail to adequately predict the creditworthiness of customers, or if they fail to assess prospective customers' financial ability to repay their loans, or if any portion of the information pertaining to the prospective customer is false, inaccurate or incomplete, and our systems do not detect such falsities, inaccuracies or incompleteness, or any or all of the other components of the credit decision process described herein fails, higher than forecasted losses may result. Furthermore, if we are unable to access the third party data used in our credit scoring models, or access to such data is limited, the ability to accurately evaluate potential customers using our credit scoring models will be compromised, and we may be unable to effectively predict probable credit losses inherent in the resulting loan portfolio, which could have a material adverse effect on our business, prospects, results of operations, financial condition or cash flows.

Additionally, if we make errors in the development and validation of any of the models or tools used to underwrite loans, such loans may result in higher delinquencies and losses. Moreover, if future performance of customer loans differs from past experience, which experience has informed the development of our credit scoring models, delinquency rates and losses could increase. If our credit scoring models were unable to effectively price credit to the risk of the customer, lower margins would result. Either our losses would be higher than anticipated due to "underpricing" products or customers may refuse to accept the loan if products are perceived as "overpriced." Additionally, an inability to effectively forecast loss rates could also inhibit our ability to borrow from our debt facilities, which could further hinder our growth and have a material adverse effect on our business, prospects, results of operations, financial condition or cash flows.

13. Security breaches of customers' confidential information that we store may harm our reputation and expose us to liability.

We store customers' bank information, credit information and other sensitive data. Any accidental or willful security breaches or other unauthorized access could cause the theft and criminal use of this data. Security breaches or unauthorized access to confidential information could also expose us to liability related to the loss of the information, time-consuming and expensive litigation and negative publicity. If security measures are breached because of third party action, employee error, malfeasance or otherwise, or if design flaws in our software are exposed and exploited, and, as a result, a third party obtains unauthorized access to customer data, our relationships with customers will be severely damaged, and we could incur significant liability. Further, we engage with certain third party service providers, and although our contracts with them restrict the usage of client data and impose protective precautions, there can be no assurance that they will abide by such contractual terms or that the contracts will be found to be in compliance with data protection laws.

Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until they are launched against a target, we and our third party hosting facilities may be unable to anticipate these techniques or to implement adequate preventative measures. In addition, we may be required under applicable regulations to notify individuals of data security breaches involving their personal data. These mandatory disclosures regarding a security breach are costly to implement and often lead to widespread negative publicity, which may cause customers to lose confidence in the effectiveness of our data security measures. Any security breach, whether actual or perceived, would harm our reputation, and result in lost customers, which could in turn have a material adverse effect on our business, prospects, results of operations, financial condition or cash flows.

14. Credit and other information that we receive from third parties about a borrower may be inaccurate or may not accurately reflect the borrower's creditworthiness, which may cause us to inaccurately underwrite loans.

We obtain credit information from credit bureaus, and our lending business involves underwriting based on our credit scoring models. Our credit scoring models take into account reported credit score, other information reported by credit bureaus and the requested loan amount, in addition to a variety of other factors.

A credit score assigned to a borrower may not reflect that borrower's actual creditworthiness because the credit score may be based on outdated, incomplete or inaccurate customer reporting data, and we do not verify the information obtained from the borrower's credit report. Additionally, there is a risk that, following the date of the credit report that

we obtain and review, a borrower may have become past due in the payment of an outstanding obligation; defaulted on a pre-existing debt obligation; taken on additional debt; or sustained other adverse financial events. If large numbers of borrowers default on loans that are not decisioned correctly, this could have a material adverse effect on our business, prospects, results of operations, financial condition or cash flows.

15. Downturns or disruptions in the securities markets or any changes in customer preferences could reduce transaction volumes, cause a decline in the business or adversely impact our brokerage and advisory business and thereby our financial performance.

Our brokerage and advisory business is dependent on securities and derivatives broking activities, and although we continue to diversify our revenue sources, our brokerage and advisory business is expected to continue to account for a significant portion of our revenues in the foreseeable future. We derived 82.09%, 61.58% and 56.10% of our revenues from operations in Fiscal 2015, Fiscal 2016 and Fiscal 2017, respectively, from our brokerage income. Our financial performance may be materially adversely affected by a downturn or disruptions to the Indian securities and commodities markets and any significant changes in volume and price levels of securities, commodities and futures transactions in India. In addition, any shift in customer preferences from investing and trading in securities to other products and services would lead to adversely affecting our business and financial performance. Downturn or disruption in the securities, commodities and derivatives markets and changes in customer preferences could take place due a number of factors including market conditions, inflation, volatility in the prices of securities, low institutional or retail confidence or the state of the economy, which are beyond our control.

16. If any new financing products we launch are unsuccessful, it could harm our reputation and adversely affect our results of operations.

As part of our growth strategy, we may from time to time introduce new personal or business finance products. We may incur substantial costs in the future in connection with the expansion of our financing product portfolio and there can be no assurance that such new products will be successful once they are offered. In the event that such new products are not commercially successful or provide the return on investment expected, we may lose any or all of the investments that we have made in developing and promoting such products, and, consequently, our reputation and results of operations may be adversely affected.

17. If IVLFL is unable to comply with the capital adequacy requirements stipulated by the RBI in connection with its lending business, our business, results of operations and cash flows may be materially and adversely affected.

Our lending business, as carried out by IVLFL, is subject to various regulations relating to the capital adequacy of NBFCs, which determine the minimum amount of capital we are required to maintain as a percentage of the risk-weighted assets on our portfolio, or CRAR. Under the RBI's Non-Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, as amended, IVLFL is required to maintain a regulatory minimum CRAR of 15%. The CRAR of IVLFL as of March 31, 2017 and June 30, 2017, computed on the basis of applicable RBI requirements, is set forth in the table below:

	As of March 31, 2017	**As of June 30, 2017**
	(₹ million)	
Tier I Capital	1,833.24	10,180.23
Tier II Capital	22.96	32.17
Total Capital	1,856.21	10,212.40
Total Risk Weighted Assets	2,061.61	9,212.92
Capital Adequacy Ratio		

	As of March 31, 2017	As of June 30, 2017
	(₹ million)	
Tier I Capital (as a Percentage of Total Risk Weighted Assets (%))	88.92%	110.50%
Tier II Capital (as a Percentage of Total Risk Weighted Assets (%))	1.11%	0.35%
Total Capital (as a Percentage of Total Risk Weighted Assets (%))	90.04%	110.85%

Although the CRAR of IVLFL is above the regulatory minimum requirement, there can be no assurance that we will be able to maintain such CRAR within the regulatory requirements. Further, as we grow our lending business loan portfolio, we will be required to raise additional Tier I and Tier II capital in order to continue to meet applicable capital adequacy ratios with respect to such business. There can be no assurance that we will be able to raise adequate additional capital in the future on favourable terms, or at all. This could result in non-compliance with applicable capital adequacy ratios, which could have a material adverse effect on our business, results of operations and cash flows.

18. An inability to manage our growth in our relatively new lending business may place significant demands on our management and our infrastructure and could be costly.

If we achieve significant rapid growth in our lending business, such growth may place significant demands on our management and our operational and financial infrastructure. Expanding our products or entering into new jurisdictions with new or existing products or undertaking corporate actions such as, amongst others, mergers, reverse mergers and takeovers, can be costly and require significant management time and attention. Additionally, as our operations grow in size, scope and complexity and our product offerings increase, we will need to enhance and upgrade our systems and infrastructure to offer an increasing number of enhanced solutions, features and functionality. The expansion of our systems and infrastructure will require us to commit substantial financial, operational and technical resources in advance of an increase in the volume of business, with no assurance that the volume of business will increase. Continued growth could also strain our ability to maintain reliable service levels for our customers, develop and improve our operational, financial and management controls, develop and enhance our legal and compliance controls and processes, enhance our reporting systems and procedures and recruit, train and retain highly skilled personnel. Competition for these personnel is intense and is particularly intense for technology and analytics professionals. We may not be successful in attracting and retaining qualified personnel and may face difficulty in hiring and retaining highly skilled employees with appropriate qualifications. Many of the companies with which we compete for experienced personnel may have greater resources or more attractive compensation mixes than we have had. Managing our growth will require significant expenditures and allocation of valuable management resources. Failure to achieve the necessary level of efficiency in our organization as it grows could materially adversely affect our business, prospects, results of operations, financial condition and cash flows and could impair our ability to continue current operations.

19. As part of our business strategy, we may in the future assign a portion of our loan assets to banks and other institutions. Any changes in the assignment markets or statutory/ regulatory requirements or judicial or quasi-judicial authority decisions could adversely affect our ability to enter into such transactions, which could have a material adverse effect on our financial condition, results of operations and cash flows.

We may, as part of our means of raising and managing our funds, assign a portion of the receivables from our lending business to banks and other institutions. Such assignment transactions may be conducted on the basis of our internal estimates of our funding requirements, which may vary from time to time. Any change in statutory or regulatory requirements in relation to assignments of loans by financial institutions, including the requirements prescribed by RBI, or decisions of judicial and quasi-judicial authorities in India in connection with such transactions, could adversely affect our ability to enter into such transactions, which could have a material adverse effect on our financial condition, results of operations and cash flows.

20. Our investments are subject to market risk.

As we are allowed to invest in various securities such as mutual funds, commercial papers, and inter-corporate deposits. The value of these investments depends on several factors beyond our control, including the domestic and international economic and political scenario, inflationary expectations and the RBI's monetary policies. As at March 31, 2017, our current investments were ₹ 1,625.00 million. Any decline in the value of the investments may have an adverse effect on financial condition and results of operations.

21. We will prepare our financial statements from April 1, 2018 onwards under the Indian Accounting Standards ("Ind AS"). As Ind AS is different in many respects from Indian GAAP, our financial statements from April 1, 2018 may not be comparable to our historical financial statements and our financial statements for the year ending March 31, 2017 prepared under Indian GAAP may not be comparable to our financial statements for the year ending March 31, 2017 prepared under Ind AS for comparison purposes. In addition, our transition to Ind AS reporting could have an adverse effect on our results of operations and financial conditions.

We currently prepare our financial statements as per Indian GAAP. The Companies (Indian Accounting Standards) Rules, 2015 ("IAS Rules"), as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, enacted changes to Indian GAAP that are intended to align Indian GAAP further with IFRS. The IAS Rules provide that the financial statements of the companies to which they apply shall be prepared and audited in accordance with Ind AS. Ind AS is different in many respects from Indian GAAP. We will implement Ind AS for the accounting period beginning from April 1, 2018. Owing to a lack of precedents we have not determined with any degree of certainty the impact of the adoption of Ind AS on our financial statements. However, we know that the Ind AS will change our methodology for certain items of financials. For a summary of the significant qualitative differences between Indian GAAP and Ind AS as applicable to our Company, see "*Significant Differences Between Indian GAAP and Ind AS*" on page 363. However, the summary in *"Significant Differences Between Indian GAAP and Ind AS*" may not contain all significant differences between Indian GAAP and Ind AS applicable to us and reliance by prospective investors on this summary should be limited. Accordingly, our financial statements for the period commencing from April 1, 2018 may not be comparable to our historical financial statements and our financial statements for the year ended March 31, 2017 prepared under Indian GAAP may not be comparable to our financial statements for the year ended March 31, 2017 prepared under Ind AS for comparison purposes.

22. If we fail to identify, monitor and manage risks and effectively implement our risk management policies, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We have devoted significant resources to develop our risk management policies and procedures and plan to continue to do so in the future. There can however be no assurance that our policies and procedures to identify, monitor and manage risks will be fully effective. Some of our risk management systems may not be automated and could be subject to human error, while certain of our risk management methods are based on observed historical market behaviour. As a result, these methods may not accurately predict future risk exposures, which could be significantly greater than those indicated by the historical measures.

To the extent any of the instruments and strategies we use to hedge or otherwise manage our exposure to market or credit risk are not effective, we may not be able to mitigate effectively our risk exposures in particular market environments or against particular types of risk. Further, some of our risk management strategies may not be effective in a difficult or less liquid market environment, where other market participants may be attempting to use the same or similar strategies to deal with the difficult market conditions. In such circumstances, it may be difficult for us to reduce our risk positions due to the activity of such other market participants. Other risk management methods depend upon an evaluation of information regarding markets, clients, borrowers or other matters. This information may not in all cases be accurate, complete, up-to-date or properly evaluated. Our earnings in the lending business in particular are dependent upon the effectiveness of our management of changes in credit quality and risk concentrations, the accuracy of our valuation models and our critical accounting estimates and the adequacy of our allowances for loan losses. To the extent our assessments, assumptions or estimates prove inaccurate or not predictive of actual results, we could suffer higher than anticipated losses. If we fail to effectively implement our risk management policies, it could materially and adversely affect our business, financial condition, results of operations and cash flows.

23. If we do not comply with covenants and conditions under our borrowing arrangements it could lead to termination of our credit facilities, accelerated repayment of all amounts due thereunder, enforcement of any security provided and the trigger of cross default provisions. Any of the above actions taken by the relevant lender could have a material adverse effect on our credit ratings, financial condition, results of operations and cash flows.

As of March 31, 2017, we had long term borrowings of ₹ 5.72 million and short term borrowings of ₹ 15,183.27 million on a consolidated basis. Our current and/ or future financing agreements include and/ or may include various conditions and covenants that require us to obtain lender consents or serving prior intimation notices on such lenders prior to carrying out certain activities and entering into certain transactions. Specifically, under some of our financing agreements, we require consents from or are required to serve a prior notice of intimation on the relevant lenders for, among others, the following matters: making any change in our ownership or our control or our constitution; making amendments in our Memorandum and Articles of Association; creating any further security interest on the assets upon which the existing lenders have a prior charge; and raising funds by way of any fresh capital issue. Some of our financing agreements contain financial and other covenants. These covenants vary depending on the requirements of the financial institution extending the loan and the conditions negotiated under each financing document. Such covenants may restrict or delay certain actions or initiatives that we may propose to take from time to time. For further information, see "*Financial Indebtedness*" on page 360.

A failure to observe the covenants under our financing arrangements or to obtain necessary consents or serve the required notices of intimation may lead to the termination of our credit facilities, acceleration of all amounts due under such facilities and the enforcement of any security provided. Any acceleration of amounts due under such facilities may also trigger cross default provisions under our other financing agreements. If the obligations under any of our financing documents are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. Any of these circumstances could adversely affect our business, credit ratings, financial condition, results of operations and cash flows.

24. Certain of our business is particularly dependent on our ability to secure adequate funding, and funding shortages or maturity mismatches or increases in our costs of funds could materially and adversely affect our business, financial condition, results of operations and cash flows.

Our lending business is dependent upon our timely access to, and the costs associated with debt. Our future debt funding requirements is expected to be met through a combination of term loans from banks, issuance of secured and unsecured non-convertible debentures and issue of commercial paper, as well as through assignment of our loan portfolio. Thus, our financial services business in particular will continue to be dependent on our ability to access diversified borrowings from within India and Rupee denominated borrowings from international markets. Our ability to borrow on acceptable terms and at competitive rates will continue to be dependent on various factors, including, but not limited to, our credit ratings, the regulatory environment, liquidity in the markets, policy initiatives in India, the perception of investors and lenders of demand for debt of NBFCs, and our current and future results of operations and financial condition. If we are unable to borrow funds in the amounts we require and on competitive terms, it would have an adverse effect on our business, and in particular our financial services business, our financial condition, results of operations and cash flows.

25. Our lending business may be partly dependent on lead providers and marketing affiliates who assist us in obtaining new customers, and if lead providers or marketing affiliates do not comply with an increasing number of applicable laws and regulations, or if our ability to use such lead providers or marketing affiliates is otherwise impaired, it could adversely affect our business.

Our lending business may be dependent on third parties, referred to as lead providers (or lead generators) and marketing affiliates, as a source of new customers. Our marketing affiliates may place our advertisements on their websites to direct potential customers to our websites. Generally, lead providers operate, and also work with their own marketing affiliates who operate separate websites to attract prospective customers and then sell those "leads" to online lenders. As a result, the success of our business will depend substantially on the willingness and ability of lead providers or marketing affiliates to provide us customer leads at acceptable prices.

If regulatory oversight of lead providers or marketing affiliates is introduced, through the implementation of new laws or regulations or the interpretation of existing laws or regulations, our ability to use lead providers or marketing affiliates could be restricted or eliminated. In the event of such restrictions on lead providers and marketing affiliates in the future, our ability to use lead providers or marketing affiliates will be adversely impacted.

In addition, the failure by lead providers' or marketing affiliates' to comply with applicable laws or regulations could have an adverse effect on our business and could increase negative perceptions of our business and industry. Additionally, the use of lead providers and marketing affiliates could subject us to additional regulatory cost and expense. If our ability to use lead generators or marketing affiliates were to be impaired, our business, prospects, results of operations, financial condition and cash flows may be materially adversely affected.

26. Internal or external fraud or misconduct or misselling by our employees could adversely affect our reputation and our results of operations.

We may be subject to misconduct or misselling by our employees which could result in binding us to transactions that exceed authorised limits or present unacceptable risks or concealing unauthorized or unlawful activities from us.

Our business, including any cash collection involved in our operations, may expose us to the risk of fraud, misappropriation or unauthorized transactions by our representatives and employees responsible for dealing with such cash collections. Further, we may be subject to regulatory or other proceedings in connection with any unauthorized transaction, fraud or misappropriation or misselling by our representatives and employees, which could adversely affect our goodwill. Employee misconduct or misselling could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions, penalties and serious reputational or financial harm. Although we have systems in place to prevent and deter fraudulent activities by our employees, there can be no assurance that such systems will be effective in all cases. Any instances of such fraud or misconduct or misselling could adversely affect our reputation, business, results of operations and financial condition.

27. Lapses of control, system failures or calamities could adversely impact our business

We are vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, system failures, information system disruptions, communication systems failure and date interception during transmission through external communication channels and networks. We seek to protect our computer systems and network infrastructure from physical break-ins as well as security breaches. We have established procedures and systems designed to minimize the risk of security breaches but cannot assure that these procedures and systems will not be breached. Failure to protect breaches in security may adversely affect our operations and future financial performance.

28. We are subject to legal and regulatory risk which may adversely affect our business and the price of the Equity Shares.

We are subject to a wide variety of financial services laws and regulations and a large number of regulatory, self-regulatory and enforcement authorities in the jurisdictions in which we operate, including the SEBI, RBI, BSE, NSE, MCX, NCDEX, NSDL and CDSL. The laws and regulations governing the banking and financial services industry have become increasingly complex and cover a wide variety of issues, including interest rates, liquidity, capital adequacy, securitization, investments, ethical issues, money laundering, privacy, record keeping, outsourcing and marketing and selling practices, with sometimes overlapping jurisdictional or enforcement authorities.

The regulatory environment in which we operate is also subject to change and we may be adversely affected as a result of new or revised legislation or regulations imposed by the SEBI, other governmental regulatory authorities or self-regulatory organizations. We may also be adversely affected by changes in the interpretation or enforcement of existing laws and rules by these governmental authorities and self-regulatory organisations.

Failure to comply with applicable regulations in various jurisdictions, including unauthorized actions by employees, representatives, agents and third parties, suspected or perceived failures and media reports, and ensuing inquiries or investigations by regulatory and enforcement authorities, has resulted, and may result in regulatory action including financial penalties and restrictions on or suspension of the related business operations.

29. We may not be able to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business.

We require certain statutory and regulatory permits and approvals to operate our business, including a certificate of registration as an NBFC from the RBI, which requires us to comply with certain terms and conditions to continue our NBFC operations, a merchant banking license, certificate of registration as an alternative investment fund from SEBI. The RBI conducts an annual financial inspection of our operations and financial records relating to our financial position every year under the RBI Act. Inspection by the RBI is a regular exercise and is carried out periodically by the RBI for banks, financial institutions and NBFCs. If we fail to comply with the RBI's observations in its annual inspections reports or in the event that we are unable to comply with any or all of these terms and conditions, or seek waivers or extensions of time for complying with these terms and conditions, it is possible that the RBI may revoke this licence or may place stringent restrictions on our operations. This may result in the interruption of all or some of our NBFC operations and have a material adverse effect on our business, financial condition and results of operations. Further, under certain of our contractual arrangements, we are required to hold all necessary and applicable approvals and licences from authorities such as the RBI and SEBI. Failure by us to renew, maintain or obtain the required permits or approvals, including those set out above, may have a material adverse effect on our business, results of operations and cash flows. For further information on our permits and approvals, see "*Government and Other Approvals*" on page 381.

30. We face significant competition in our securities and commodities brokerage business, which may result in declining margins if we are unable to compete effectively.

We face significant competition for investor accounts from our competitors and we expect such competition to continue. Our securities and commodities brokerage business competes with our competitors, in a variety of ways, including on cost, quality and speed of service, functionality, ease of use and performance of systems, liquidity available through platforms, the range of services offered to clients and technological innovation and reputation. In addition, our brokerage business faces competition from trading businesses conducted over the phone between clients and broker-dealers, as well as from banks and other financial institutions that are permitted to facilitate broking services. Increased competition from existing or potential competitors could cause us to experience a decline in our market share and brokerage income which would materially adversely affect our financial conditions and results of operations. In addition, increased competition particularly in a highly regulated environment may exert a downward pressure on brokerage in order for us to remain competitive, which could materially adversely affect our business, financial condition and results of operations. We could lose a substantial percentage of our market share of client accounts if we are unable to effectively compete with our current competitor or any new competitor. If we fail to compete successfully, our business, financial condition and results of operations may be materially adversely affected.

31. If internet search engine providers change their methodologies for organic rankings or paid search results, or our organic rankings or paid search results decline for other reasons, our new customer growth or volume from returning customers could decline.

Our new customer acquisition marketing and our returning customer relationship management is partly dependent on various search engines to direct a significant amount of traffic to our mobile and desktop websites via organic ranking and paid search advertising. Our competitors' paid search activities, pay per click or search engine marketing may result in their sites receiving higher paid search results than ours and significantly increasing the cost of such advertising for us. Our paid search activities may not produce (and in the past have not always produced) the desired results. Internet search engines often revise their methodologies, which could adversely affect our organic rankings or paid search results, resulting in a decline in our new customer growth or existing customer retention, difficulty for our customers in using our web and mobile sites, more successful organic rankings, paid search results or tactical execution efforts for our competitors than for us, a slowdown in overall growth in our customer base and the loss of existing customers, and higher costs for acquiring returning customers, which could adversely impact our business. In addition, search engines could implement policies that restrict the ability of customer finance companies such as our lending business to advertise their services and products, which could preclude companies in our industry from appearing in a favorable location or any location in the organic rankings or paid search results when certain search terms are used by the customer. Our online marketing efforts are also susceptible to actions by third parties that negatively impact our search results such as spam link attacks, which are often referred to as "black hat" tactics. Our sites have experienced meaningful fluctuations in organic rankings and paid search results in the past, and we anticipate similar fluctuations in the future. Any reduction in the number of customers or small businesses directed to our web and mobile sites could harm our business and operating results.

32. We have issued Equity Shares at prices that may be lower than the Issue Price in the last 12 months.

We have issued Equity Shares in the last 12 months at a price that may be lower than the Issue Price, as set out in the table below:

Date of allotment	Number of Equity Shares held	Name of allottee(s)	Face value per Equity Share (₹)	Issue price (₹)	Reasons for allotment	Whether allotment to Promoter(s) and/ or members of the Promoter Group
October 5, 2016	350,000	Eligible employees under ESOP 2008	2	17.40	Exercise of stock options under ESOP 2008	No
October 27, 2016	750	Eligible employees under ESOP 2008	2	17.40	Exercise of stock options under ESOP 2008	No
February 23, 2017	890,518	Eligible employees under ESOP 2008	2	17.40	Exercise of stock options under ESOP 2008	No
March 7, 2017	24,650,000	1. Orthia Constructions Private Limited; and 2. Zelkova Builders Private Limited	2	19.75	Allotment pursuant to conversion of warrants issued on preferential basis to raise funds in order to meet growing business requirements, proposed expansion plans and diversification.of our Company	Yes
March 10, 2017	1,250,000	Eligible employees under ESOP 2008	2	17.40	Exercise of stock options under ESOP 2008	No
April 10, 2017	33,650,000	1. Orthia Constructions Private Limited; 2. Zelkova Builders Private Limited; and	2	19.75	Allotment pursuant to conversion of warrants issued on a preferential basis to raise funds in order to meet growing business requirements, proposed expansion	Yes, other than Divyesh Shah who is an Executive Director on the Board of our Company

Date of allotment	Number of Equity Shares held	Name of allottee(s)	Face value per Equity Share (₹)	Issue price (₹)	Reasons for allotment	Whether allotment to Promoter(s) and/ or members of the Promoter Group
		3. Divyesh Shah			plans and diversification. of our Company	
May 10, 2017	38,865,582	Cinnamon Capital Limited	2	58.40	Preferential allotment of Equity Shares to raise funds in order to meet growing business requirements, proposed expansion plans and diversification of our Company.	No
May 15, 2017	219,900	Eligible employees under ESOP 2008	2	17.40	Exercise of stock options under ESOP 2008	No
	3,00,000	Eligible employees under ESOP 2009	2	31.35	Exercise of stock options under ESOP 2009	No
June 6, 2017	47,390,000	Tamarind Capital Pte. Limited	2	94.70	Preferential allotment of Equity Shares to raise funds in order to meet growing business requirements, proposed expansion plans and diversification of our Company.	No
June 20, 2017	500	Eligible employees under ESOP 2008	2	17.40	Exercise of stock options under ESOP 2008	No
	1,758,100	Eligible employees under ESOP 2009	2	16.00	Exercise of stock options under ESOP 2009	No

The Issue Price is not indicative of the market price following the listing of the Equity Shares. For information, see "*Capital Structure*" on page 83.

33. We depend on the accuracy and completeness of information about customers and counterparties and any misrepresentation, errors or incompleteness of such information could cause our business to suffer.

In deciding whether to extend credit or enter into other transactions with customers and counterparties, we may rely on information furnished to us by or on behalf of customers and counterparties, including financial statements and other financial information. We may also rely on certain representations as to the accuracy and completeness of that information and, with respect to financial statements, on reports of their independent auditors. For example, in our brokerage and advisory business and in our lending business, in deciding whether to extend credit, we may assume that a customer's audited financial statements conform to generally accepted accounting principles and present fairly, the financial information relating to the customer. Difficulties in assessing credit risks associated with our day-to-day lending operations may lead to an increase in the level of our non-performing and restructured assets, which could materially and adversely affect our business, financial condition, results of operations and cash flows.

34. A significant number of our offices, including our registered office and corporate office, are not registered in our name and are located on leased premises. There can be no assurance that these lease agreements will be renewed upon termination or that we will be able to obtain other premises on lease on same or similar commercial terms.

A significant number of our offices, including our registered office and corporate office, are located on leased premises, and we do not own any of these premises. In the event such leases are not renewed or are terminated, it could adversely affect our operation unless we arrange for similar premises. If we are unable to continue or renew such leases on same or similar terms, or find alternate premises on lease on similar terms or at all, it may affect our business operations.

35. We rely on third parties to whom we outsource certain of our operations relating to our lending business and if these third parties fail to perform their obligations it could adversely affect our business and cause us financial loss, which we may be unable to recover from such third party in full or at all.

We outsource some of our operations to various third parties, including, amongst others, call centers. If these third parties fail to perform their obligations or if there is any interruption or deterioration in their performance, it could adversely affect our business and cause us financial loss, which we may be unable to recover from such third party in full or at all. Such failure to perform obligations or interruptions or deterioration in their services may lead to unanticipated disruptions in services to our customers and may result in litigation or claims against us. Further, while we believe that we maintain a good relationship with our third party service providers, there can be no assurance that we will not experience disruptions to our operations due to disruptions with our third party service providers.

36. If we are unable to effectively control our NPA levels in the future, our financial condition and results of operations could be adversely affected.

Our lending business through IVLFL is relatively new. Various factors that are beyond our control, such as macro-economic factors (including a rise in unemployment, a sharp and sustained rise in interest rates, developments in the Indian economy, movements in global commodity markets and exchange rates), regulatory hurdles and global competition as well as customer specific factors such as wilful default and mismanagement of a customer’s operations, may result in increasing NPA levels and may have an adverse impact on the quality of our loan portfolio. If we are unable to effectively control our NPA levels in the future, we will be required to increase our provisions, which may adversely affect our profitability and financial condition. The RBI regulates certain aspects of the recovery of non-performing loans, such as the use of recovery agents. Any limitation on our ability to recover, control and reduce non-performing loans under the applicable regulatory regime or otherwise could affect our collections and ability to foreclose on existing NPAs.

Under the RBI’s Non-Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, as amended, IVLFL is required to maintain a regulatory minimum CRAR of 15%. For further information, see “*Regulation and Policies*” on page 151. In the event the credit quality of our loans deteriorates in the future, our provisioning levels may be inadequate to cover any increase in NPAs. There can be no assurance that as we grow our lending business, there will be no deterioration in the provisioning coverage as a percentage of gross NPAs or otherwise or that we will be successful in the recovery of NPAs. If we are unable to control the level of our NPAs in the future, quality of our loan portfolio could deteriorate, our credit ratings could be downgraded and our cost of funds could increase, any of which could have a material adverse effect on our financial condition and results of operations.

37. Our real estate broking services depends on the performance of the real estate market. Fluctuations in market conditions may affect our ability to sell units and interests in projects at expected prices. Any reduction in demand or delays in statutory/ regulatory approvals could adversely affect our ability to sell, which could have a material adverse effect on our financial condition, results of operations and cash flows.

Our real estate broking services significantly depends on the performance of the real estate market in India and could be adversely affected if market conditions deteriorate. The real estate business is in turn significantly affected by changes in government policies, grant of statutory/ regulatory approvals, economic and other conditions, such as economic slowdowns, demographic trends, employment levels, availability of financing, rising interest rates or declining demand for real estate, or the public perception that any of these events may occur. Further, any delay in the grant of neccessary approvals for construction or any delay in construction by developers would lead to an adverse impact on our sales, collection and recievables. These factors can adversely affect the demand for, and pricing of, the units and interests in projects that we sell and, as a result, may materially and adversely affect our financial condition, results of operations and cash flows. We cannot assure you that the demand for the units and interests in projects that we sell will grow, or will not decrease, in the future. Any such reduction in demand could have an adverse effect on our business, results of operations, financial condition and cash flows

38. Our business is subject to the recently introduced Real Estate (Regulation and Development) Act, 2016 (the "RERA"). The RERA is a recent legislation and any increase in complaints by customers may require more time and cost to comply with.

The Central Government has recently notified the RERA in the Official Gazette on March 26, 2016. The RERA has been introduced to regulate the real estate industry and ensuring, amongst others, imposition of certain responsibilities on real estate developers and accountability towards customers and protection of their interest.

The RERA has imposed certain obligations on real estate brokerage firms, such as IIAL, including mandatory registration of real estate brokers, restrictions on margins, and making periodic disclosures to the relevant authorities. In addition, we will have to comply with state specific legislations which have and will be enacted by the respective state governments, where we carry out our operations, due to the introduction of RERA. Further, there could be an increase in complaints filed by customers under RERA. Accordingly, compliance with the provisions of RERA or such state specific legislations or addressing complaints filed by customers will require significant management and financial resources. We may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention and as a result, could adversely affect our sales, financial conditions and results of operations. Further, any non-compliance of the provisions of RERA or such state specific legislations may result in punishments (including fines and/ or imprisonment) and revocation of registration of our license which may have a material and adverse impact on our business, operations and financial condition.

39. As part of our real estate brokerage business, we enter into memoranda of understanding and similar agreements with real estate developers to sell units and interests in projects and we may not recover payments made with respect to such arrangements.

As part of our real estate brokerage business, we enter into memoranda of understanding, and similar arrangements with real estate developers to sell units and interests in projects and, in the event we are unable to sell the number of units within the timelines prescribed in accordance with such arrangements, we may incur substantial losses. Our inability to market such residential real estate units, with respect to such units, may adversely affect our business, financial condition and results of operations.

40. If we are unable to recover receivables from our lending business in a timely manner or at all, our financial condition and results of operations may be adversely affected.

As we further grow our lending business, our receivables are expected to increase significantly in the future. In the event of default by customers on our loans, our ability to realise the amounts due to us would be restricted to initiating legal proceedings for recovery. There can be no guarantee as to the length of time it could take to conclude such legal proceedings or for the legal proceedings to result in a favourable decision to us. Any failure to recover the full amount of principal and interest on our unsecured receivables could adversely affect our financial condition and results of operations.

41. Certain of our Subsidiaries and Group Companies have incurred losses in the past, which may have an adverse effect on our reputation and business.

Certain of our Subsidiaries and Group Companies have incurred losses during Fiscal 2015, 2016 and 2017, as set out below:

	Profit / (Loss)		
	Fiscal 2015	**Fiscal 2016**	**Fiscal 2017**
	(₹ million)		
Indiabulls Distribution Services Limited	483.11	(133.67)	1,364.29

	Profit / (Loss)		
	Fiscal 2015	Fiscal 2016	Fiscal 2017
Gyansagar Buildtech Limited	0.93	(1.03)	(1.85)
Indiabulls Alternate Investments Limited	0.00	(0.48)	6.14
Devata Tradelink Limited	(0.07)	0.08	(1.27)
Auxesia Soft Solutions Limited	(0.47)	0.92	5.14
Arbutus Constructions Limited	(2.50)	(1.23)	(1.42)
Pushpanjli Fincon Limited	(6.86)	(12.62)	3.03
Indiabulls Infra Resources Limited	0.00	0.00	(0.55)
Indiabulls Logistics Limited	0.00	0.00	(0.25)

For further information, see "*Group Companies*" on page 205. There can be no assurance that our Subsidiaries and Group Companies will not incur losses in the future which may have an adverse effect on our reputation and business.

42. Grants of stock options under our proposed employee stock option plan may result in a charge to our profit and loss account and, to that extent, adversely affect our business, financial condition, results of operations and prospects.

We propose to issue stock options under the ESOP Schemes, subject to approval of the scheme by our Shareholders. The grant of employee stock options results in a charge to our Company's profit and loss account equal to the difference between the fair value of our Equity Shares determined at the date of grant and the exercise price (which will amortize over the vesting period of these stock options). In addition to the effect on the profit and loss account, the exercise of vested stock options will dilute the interests of shareholders (as in the case of any issuance of Equity Shares). For further information on ESOP Schemes, see "*Capital Structure – Employee Stock Option Schemes of our Company*" and "*Financial Statements*" on pages 98 and 216, respectively.

43. Our brokerage and advisory services business is dependent on the relationships formed by our relationship managers with our clients; any events that harm these relationships including the loss of or inability to employ sufficient number of relationship managers may lead to a decline in our sales and profitability.

Our brokerage and advisory services business is dependent on the team of relationship managers who directly manage client relationships. We encourage dedicated relationship managers to service specific clients as we believe that this leads to long-term client relationships, and a trust-based business environment. While no individual relationship manager or operating group of relationship managers contributes a meaningful percentage of our brokerage and advisory services business, such business could suffer materially if a substantial number of relationship managers leave us or if we are unable to hire a sufficient number of relationship managers. Such an event could be detrimental to our business, financial condition and results of operations.

44. We extend credit to customers of our brokerage business for dealing in securities and commodities and any default by a customer coupled with a downturn in the market could result in substantial losses.

Under our Company's standard terms of business relating to our Company's securities and commodities brokerage business, customers engaged in trading activity are required to have cleared funds or securities deposited with us before any trading activity can commence. We may allow our Company's customers to trade in excess of the value of the cash and/ or securities deposited with our Company. Consequently, when there are insufficient funds in a client account on the settlement date, our Company may extend credit to such customer for securities or commodities purchased by the relevant entity on behalf of such customer and the customer is charged interest at market rates on the amount of credit extended. As such, our Company may be exposed to liquidity risks and require short-term funding to meet trade commitments of our customers.

In the event of a volatile market or adverse movements in securities or commodities prices, it is possible that customers may not be able to honour their commitments, which may result in losses that they may not be able to support. Although our Company uses a technology based risk management system and follows internal risk management guidelines on procedures, no assurance can be given that if the financial markets witnessed a significant single-day or general downturn, our Company's business, financial condition and results of operations would not be materially adversely affected.

45. Negative public perception of our business could cause demand for our products to significantly decrease.

Customer advocacy groups and some media reports have advocated governmental action restricting short-term and high-cost personal loans. The fees and/ or interest charged by us and others in the industry may attract media publicity and may be perceived as controversial. If the negative characterization of these types of loans or process of loan sanctioning and disbursement becomes increasingly accepted by customers, demand for our loan products could be adversely affected. Additional restrictive laws and regulations applicable to our lending business processes and the short-term loans or other customer loan products that we offer or plan to offer could materially adversely affect our business, prospects, results of operations, financial condition and cash flows.

In addition, our ability to attract and retain customers is highly dependent upon the external perceptions of our level of service, trustworthiness, business practices, financial condition and other subjective qualities. Negative perceptions or publicity regarding these matters, even if related to seemingly isolated incidents, or even if related to practices not specific to short-term loans, such as debt collection, could erode trust and confidence and damage our reputation among existing and potential customers, which could make it difficult for us to attract new customers and retain existing customers and could significantly decrease the demand for our products, could materially adversely affect our business, prospects, results of operations, financial condition and cash flows and could impair our ability to continue operations.

46. We are dependent on our senior management and other key personnel, and the loss of, or our inability to attract or retain, such persons could adversely affect our business, results of operations, financial condition and cash flows.

Our performance depends largely on the efforts and abilities of our senior management and other key personnel. We believe that the inputs and experience of our senior management, in particular, and other key personnel are valuable for the development of our business and operations and the strategic directions taken by our Company. For details in relation to the experience of our key management personnel, see "*Our Management*" on page 183. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an adverse effect on our business, results of operations, financial condition and cash flows.

47. Our Promoter and certain of our Directors, Group Companies and members of our Promoter Group are engaged, or are authorized by their constitutional documents to engage, in business activities which are similar to those undertaken by our Company and Subsidiaries, which may result in conflicts of interest.

Our Promoter and certain of our Group Companies and companies forming part of our Promoter Group, are authorised under their respective memorandums of association to carry on the business of brokerage services, lending and advisory services. We cannot assure you that our Promoter, Directors, Group Companies or members of our Promoter Group, will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business and results of operations.

48. If any of our contingent liabilities materialise, our liquidity, business, prospects, financial condition and results of operations could be adversely affected.

As of March 31, 2017 and June 30, 2017, our contingent liabilities which were not provided for, are as under:

	As of March 31, 2017	As of June 30, 2017
	(₹ million)	
Contingent Liabilities Claims not acknowledged as debts in respect of:		
Penalty for synchronized trading under SEBI regulations	1.50	1.50
Arbitration matters	-	-
Court cases	2.80	3.77

If any of the contingent liabilities specified above materialise, our liquidity, business, prospects, financial condition and results of operations could be adversely affected.

49. We do not have documentary evidence for the educational qualification and few other details of certain of our Directors, Key Management Personnel and Promoters included in the "Management" section.

Certain supporting documentation for details required to be stated under brief profiles of certain of our Directors included in the section "*Our Management*" on page 183, with respect to their educational qualifications and prior work experience are not available. The information included in these sections is based on the details provided by the respective Directors. Further, for such information provided by the respective Directors, we have relied on certificates and affidavits executed by them certifying the authenticity of the information provided. We cannot assure you that all such information included in relation to them is true and correct.

50. The customer base for our lending business will comprise of individuals, small and medium enterprises ("SMEs") and corporates. Any decrease in demand for products relevant to these customer segments or adverse developments in such customer segments will adversely affect our results of operations.

We anticipate that a significant majority of customers of our lending business will be individuals or SMEs as our personal loans vertical is mainly targeted at individual borrowers. We believe individuals belonging to the salaried class and SMEs are generally less financially resilient than larger corporate borrowers, and are more likely to default due to liquidity difficulties than corporate borrowers. As a result, they may be more adversely affected by declining economic conditions. All our customers are vulnerable to adverse consequences of economic downturn, inflation, rising unemployment rate, natural disasters and other macroeconomic and social factors insofar as their ability and willingness to repay loans is concerned. Our personal loans lending business is therefore expected to be highly dependent on various factors that impact demand for consumer products and any decrease in demand for consumer products may adversely affect our business, financial condition and results of operations. Similarly, our business loans lending business is affected by various factors that particularly impact the SME segment, such as changes in Indian regulations, domestic economic and political conditions, inflation, natural disasters and calamities. Such factors may result in a decline in the demand for finance from SMEs and may adversely impact the ability of SMEs to perform their obligations to us under existing financing agreements if their businesses suffer, which may adversely affect our business, financial condition and results of operations.

51. We may be unable to protect our technology and analytics models or keep up with that of our competitors.

The success of our lending business depends to a significant degree upon the protection of our software, underwriting algorithms and other intellectual property rights. We may be unable to deter misappropriation of our information, detect unauthorized use or take appropriate steps to enforce our intellectual property rights. In addition, competitors could, without violating our rights, develop technologies that are as good as or better than our technology. A failure to protect software and our intellectual property rights or to develop technologies that are as good as our competitors' could put us at a disadvantage relative to our competitors. Any such failures could have a material adverse effect on our lending business.

52. We may face asset-liability mismatches as we further grow our lending business that could adversely affect our cash flows, financial condition and results of operations.

We may face liquidity risks due to mismatches in the maturity of our assets and liabilities as we grow our lending business. If we are unable to obtain additional borrowings or to renew our existing credit facilities for matching tenures of our loan portfolio in a timely and cost-effective manner, or at all, it may lead to mismatches between our assets and liabilities, which could adversely affect our cash flows, financial condition and results of operations.

53. Failure to keep up with the evolving advancements in technology and the uses and regulation of the internet could harm our business.

The business of providing financing products and services over a mobile application or over the internet is dynamic and relatively new. We are required to keep pace with evolving technological advancements, customer and small business use habits, internet security risks, risks of system failure or inadequacy, and governmental regulation and taxation, and each of these factors could adversely impact our business. In addition, concerns about fraud, computer security and privacy and/ or other problems may discourage additional customers and small businesses from adopting or continuing to use our mobile application "Dhani" or our internet website as a medium of commerce. In order to expand our customer base, our mobile application and online presence and marketing efforts must find appeal to and acquire customers who historically have used traditional means of commerce to conduct their financial services transactions. If we are unable to successfully convert these customers and gain efficiencies in our operating costs, including our cost of acquiring new customers, our business could be adversely impacted.

54. We source customers through directed selling agents for our lending business and our lending business could be adversely affected if any significant directed selling agent relationship is terminated or business generated from such agent is reduced.

We source customers through directed selling agents for our lending business, and the growth of our lending business may be impacted in part by the growth of such agent network. The directed selling agent relationships we enter into may not contain exclusivity provisions that would prevent such directed selling agent from providing customer sourcing services to competing entities. In addition, the agreements governing such partnerships, generally, contain termination provisions, including provisions that in certain circumstances would allow our partners to terminate if convenient, that, if exercised, would terminate our relationship with these partners. These agreements also may not include any requirement that a directed selling agent source us any minimum number of customers. There can be no assurance that these directed selling agents will not terminate our relationship with them or continue sourcing customers for us in the future, and a termination of such relationships could have a material adverse effect on our business, prospects, results of operations, financial condition and cash flows.

55. Our success and future growth depend significantly on our successful marketing efforts, and if such efforts are not successful, our business and financial results may be adversely impacted.

We intend to continue to dedicate significant resources to marketing efforts, including for our mobile application based lending business, particularly as we continue to grow, introduce new loan products and expand into new markets in India. Our ability to attract eligible borrowers depends in large part on the success of these marketing efforts and the success of the marketing channels we use to promote our products. Our marketing channels include and will continue to include social media and the press, online affiliations, search engine marketing, offline partnerships, and television advertising. If any of such marketing channels become less effective, if we are unable to continue to use any of these channels, if the cost of using these channels were to significantly increase or if we are not successful in generating new channels, we may not be able to attract new borrowers in a cost-effective manner or convert potential borrowers into active borrowers. If we are unable to recover our marketing costs through increases in users for our mobile application for our lending business or into traffic to our websites, or if we discontinue our broad marketing campaigns, it could have a material adverse effect on our business, prospects, results of operations, financial condition or cash flows.

56. Decreased demand for loans as a result of increased savings or income could result in a loss of revenues or decline in profitability if we are unable to successfully adapt to such changes.

The demand for loan products in the markets we serve could decline due to a variety of factors, such as regulatory restrictions that reduce customer access to particular products, the availability of competing or alternative products or changes in customers' financial conditions, particularly increases in income or savings. Additionally, a change in focus from borrowing to saving would reduce demand. Should we fail to adapt to a significant change in our customers' demand for, or access to, our financing products, our revenues could decrease significantly. Even if we make adaptations or introduce new products to fulfill customer demand, customers may resist or may reject products whose adaptations make them less attractive or less available. Such decreased demand could have a material adverse effect on our business, prospects, results of operations, financial condition or cash flows.

57. Our ability to collect payment on loans and maintain accurate accounts may be adversely affected by computer viruses, physical or electronic break-ins, technical errors and similar disruptions.

The automated nature of our mobile application platform may make it an attractive target for hacking and potentially vulnerable to computer viruses, physical or electronic break-ins and similar disruptions. Despite efforts to ensure the integrity of our mobile application platform, it is possible that we may not be able to anticipate or to implement effective preventive measures against all security breaches of these types, in which case there would be an increased risk of fraud or identity theft, and we may experience losses on, or delays in the collection of amounts owed on, a fraudulently induced loan. In addition, the software that we propose to use in our mobile application lending business operations is highly complex and may contain undetected technical errors that could cause our computer systems to fail. Because each loan advanced involves our credit scoring models, any failure of our computer systems involving our credit scoring models and any technical or other errors contained in the software pertaining to our credit scoring models could compromise the ability to accurately evaluate potential customers, which would negatively impact our results of operations. Furthermore, any failure of our computer systems could cause an interruption in operations and result in disruptions in, or reductions in the amount of, collections from the loans we make to customers. If any of these risks materialize, it could have a material adverse effect on our business, prospects, results of operations, financial condition or cash flows.

58. We may avail unsecured loans in the future, which may be recalled at any time. Any recall of such loans may have an adverse effect on our business, prospects, financial condition and results of operations.

We may avail unsecured loans in the future, which may be recalled at any time at the option of the lender. There can be no assurance that the lenders will not recall such borrowings or if we will be able to repay loans advanced to us in a timely manner or at all. In the event that any lender seeks a repayment of any such loan, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, if such unsecured loans are recalled at any time, the financial condition of our Company may be adversely affected. For further information, see "*Financial Indebtedness*" on page 360.

59. Our platform and internal systems rely on software that is highly technical, and if it contains undetected errors, our business could be adversely affected.

Our platform and internal systems rely on software that is highly technical and complex. In addition, our platform and internal systems depend on the ability of such software to store, retrieve, process and manage immense amounts of data. The software on which we rely may contain undetected errors or bugs. Some errors may only be discovered after the code has been released for external or internal use. Errors or other design defects within the software on which we rely may result in a negative experience for borrowers, delay introductions of new features or enhancements, result in errors or compromise our ability to protect borrower data or our intellectual property. Any errors, bugs or defects discovered in the software on which we rely could result in harm to our reputation, loss of borrowers, loss of revenues or liability for damages, any of which could have a material adverse effect on our business, prospects, results of operations, financial condition or cash flows.

60. Any downgrade in credit ratings could increase interest rates for refinancing outstanding debt, which would increase financing costs, and adversely affect future issuances of debt and the ability to borrow on a competitive basis, which could adversely affect our business, financial condition, results of operations and cash flows.

Short-term debt instruments issued by IVLFL have been rated A1+ by Brickworks. Any downgrade in such credit ratings could increase interest rates for refinancing outstanding debt, which would increase financing costs, and would also adversely affect future issuances of debt and the ability to borrow on a competitive basis, which could adversely affect our business, financial condition, results of operations and cash flows.

61. The introduction of GST effective July 1, 2017 may have an adverse effect on our results of operations.

The introduction of the GST effective July 1, 2017 has resulted in a substantial increase in the cost of tax compliance, which has moved to state-level tax compliance compared to the centralized tax compliance pre-GST.

In addition, the increase in the applicable tax rate on our products may have an adverse effect on our business, results of operations, and financial condition. The rate of GST on financial services, excluding interest revenue, is 18.00%, compared to the 15.00% service tax rate payable pre-GST. Any future increase in GST rate may affect the overall tax efficiency of companies operating in India including us. Due to the limited availability of information concerning the impact of GST, we are unable to provide any assurance as to this or any other aspect of the tax regime following implementation of the GST.

62. Any adverse impact on the brand, "Indiabulls", or our ability to use the "Indiabulls" name or related logos or brand names, may affect our reputation, business, financial condition and results of operations. Further, we depend on our brand recognition, and failure to maintain and enhance awareness of our brand would adversely affect our ability to retain and expand our customer base.

We share our brand "Indiabulls" with certain other entities. We may not be able to control the operations of such entities and in case any such entity is involved in any matter that adversely affects its reputation, it could have an adverse impact on our reputation, which could have an adverse effect on our business, financial condition and results of operations. In addition, in the event our ability to use the "Indiabulls" name, or related logos or brand names is adversely impacted, it could have an adverse impact on our reputation, which could have an adverse effect on our business, financial condition and results of operations. Further, we depend on our brand recognition, and failure to maintain and enhance awareness of our brand would adversely affect our ability to retain and expand our customer base.

63. Weaknesses, disruptions, failures or infiltrations of IT systems could adversely impact our business and results of operations.

We rely on IT systems in connection with financial controls, risk management and transaction processing. The increasing size of our operations, which use automated control and recording systems for record keeping, exposes us to the risk of errors in controls and record keeping. Given our volume of transactions, certain errors may be repeated or compounded before they are discovered and successfully rectified. Our dependence upon automated IT systems to record and process transactions may further increase the risk that technical system flaws will result in losses that are difficult to detect. As a result, we face the risk that the design of our controls and procedures may prove inadequate thereby causing delays in detection or errors in information.

We may also be subject to disruptions, failures or infiltrations of our IT systems arising from events that are wholly or partially beyond our control (including, for example, damage or incapacitation by human error, natural disasters, electrical or telecommunication outages, sabotage, computer viruses, hacking, cyber-attacks or similar events, or loss of support services from third parties such as internet backbone providers), for which we may be held liable. In the event we experience interruptions or infiltrations of our IT systems, this may give rise to deterioration in customer service and to loss or liability to us, which may materially and adversely affect our business, financial condition and results of operations.

In addition, an infiltration of our IT systems may compromise information stored on our systems and may result in significant data losses or theft of our or our customer's personally identifiable information, which could result in other negative consequences, including liabilities, remediation costs, disruption of internal operations, increased cybersecurity protection costs, damage to our reputation and loss of customer confidence, any of which could materially and adversely affect our business, financial condition and results of operations.

Further, we are dependent on various external vendors for certain elements of our operations and are exposed to the risk that external vendors or service providers may be unable to fulfil their contractual obligations to us (or will be subject to the same risk of operational errors by their respective employees) and the risk that their (or their vendors') business continuity and data security systems prove to be inadequate. Failure to perform any of these functions by our external vendors or service providers could materially and adversely affect our business, results of operations and cash flows.

64. Any lending and investment activity by IARCL is exposed to credit risk arising from interest/ repayment default by borrowers and other counterparties.

Being an ARC, IARCL intends to invest in security receipts having underlying assets as NPAs and may also lend funds to borrowers having high credit risks. IARCL may also be exposed to the risk of borrowers who owe money, securities or other dues that do not meet their obligations due to various reasons.

The value of the security/ collateral granted in favour of IARCL, as the case may be, may decline due to adverse market and economic conditions (both global and domestic), delays in insolvency, winding up and foreclosure proceedings, defects in title, difficulty in locating moveable assets, inadequate documentation in respect of assets secured and the necessity of obtaining regulatory approvals for the enforcement of the security over the assets and IARCL may not be able to recover the estimated value of the assets, thus exposing it to potential losses.

Any delay in enforcing the collateral due to delays in enforcement proceedings before Indian courts or otherwise could also expose IARCL to potential losses.

65. Inability to access capital markets and commercial borrowings

With the growth of its business, IVLFL and IARCL will increasingly rely on funding from the debt and equity capital markets and commercial borrowings. Growth of both these businesses will depend on their continued ability to access funds at competitive rates which in turn will depend on various factors including their ability to obtain and maintain credit ratings. If these businesses are unable to access funds at an effective cost that is comparable to or lower than their respective competitors, these businesses may not be able to have adequate funds to meet their requirements. This may adversely impact our business results and our future financial performance.

66. Statistical and industry data in this Draft Letter of Offer may be inaccurate, incomplete or unreliable.

We have not independently verified data obtained from industry publications and other external sources referred to in this Draft Letter of Offer and therefore, while we believe them to be accurate, complete and reliable, we cannot assure you that they are accurate, complete or reliable. Such data may also be produced on different bases. Therefore, discussions of matters relating to India, its economy, the financial services industry, are subject to the caveat that the statistical and other data upon which such discussions are based may be inaccurate, incomplete or unreliable. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy, adequacy or completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government sources and publications are also prepared on the basis of information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions that may prove to be incorrect. Accordingly, no investment decision should be made on the basis of such information.

67. Our business operations are involved in highly regulated industries and any failure to comply with the legal and regulatory obligations may adversely affect our business, financial condition and results of operations.

Our business operations are involved in highly regulated industries and may be subject to censures, fines and other legal proceedings if we fail to comply with our legal and regulatory obligations. In the case of actual or alleged non-compliance with regulatory requirements, we could be subject to investigations and administrative or judicial proceedings that may result in substantial penalties. Any such investigation or proceeding, whether successful or unsuccessful, could result in substantial costs and diversions of resources, which could negatively affect our reputation and have a material adverse effect on our business and cash flows, financial condition and results of operations.

68. Any non-compliance with mandatory anti-money laundering and know your customer policies could expose us to additional liability and harm our business and reputation.

In accordance with the requirements applicable to us, we are mandated to comply with anti-money laundering ("AML") and know your client ("KYC") regulations in India. These laws and regulations require us, among other things, to adopt and enforce AML and KYC policies and procedures. While we have adopted policies and procedures aimed at collecting and maintaining all AML and KYC related information from our customers in order to detect and prevent the use of our banking networks for illegal money-laundering activities, there may be instances where we may be used by other parties in attempts to engage in money-laundering and other illegal or improper activities. In addition, a number of jurisdictions (including India) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA. Pursuant to these provisions, as part of our KYC processes, we are required to collect and report certain information regarding US persons having accounts with us.

Although we believe that we have adequate internal policies, processes and controls in place to prevent and detect AML activity and ensure KYC compliance, including FATCA compliance, and have taken necessary corrective measures, there can be no assurance that we will be able to fully control instances of any potential or attempted violation by other parties and may accordingly be subject to regulatory actions, including imposition of fines and other penalties by the relevant government agencies to whom we report. Our business and reputation could suffer if any such parties use or attempt to use us for money-laundering or illegal or improper purposes and such attempts are not detected or reported to the appropriate authorities in compliance with applicable regulatory requirements.

69. Our insurance coverage could prove inadequate to satisfy potential claims. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our financial condition, results of operations and cash flows.

We have taken out insurance to cover certain risks associated with our businesses. We cannot however assure you that our current insurance policies will insure us fully against all risks and losses that may arise in the future. Even if such losses are insured, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, or at all. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our financial condition, results of operations and cash flows.

70. We face foreign exchange risks that could adversely affect our results of operations and cash flows.

We may be required to account for foreign exchange differences arising as part of our investments in non integral foreign operations. As a consequence, we are exposed to currency rate fluctuations between the Indian Rupee and other foreign currencies. Any fluctuation in the value of the Indian Rupee against such currencies may adversely affect our results of operations. Any devaluation of foreign currencies against the Indian Rupee may result in reduction of our margins and consequently have an adverse effect on business and result of operations.

71. Our ability to pay dividends in the future will depend upon our earnings, financial condition, cash flows and capital requirements

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flows and capital requirements. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time and may be subject to other requirements prescribed by the RBI and other applicable regulatory authorities. There can be no assurance that we will be able to pay dividends in the future.

72. We are exposed to risks attributable to derivatives trading by clients and possible inadequacy of risk management policies.

We offer our clients a facility to trade in derivative instruments in the commodities and securities markets. Since these derivative instruments involve leveraged positions on the underlying assets, both investors and market intermediaries are exposed to a greater risk in dealing with such instruments. If we fail to manage appropriately the risk of our clients' dealings in derivative instruments, our financial condition and business may be materially adversely affected.

73. The structure and specific provisions of any financing arrangements could give rise to additional risk.

We may need to raise additional capital from time to time for reasons including changes in the regulatory regime, new guidelines or significant depletion in our existing capital base due to unusual operating losses. In the event such additional funds are not available to us on attractive terms and conditions, or at all, it could have an adverse effect on our financial results or operations. The use of borrowings also presents the risk that any Subsidiary of our Company may be unable to service interest payments and principal repayments or comply with other requirements of any loans, rendering borrowings immediately repayable in whole or in part, together with any attendant cost, and any such company might be forced to sell some of their assets to meet such obligations, with the risk that borrowings will not be able to be refinanced or that the terms of such refinancing may be less favourable than the existing terms of borrowing. Any borrowings of any such company will generally be secured against some or all of the relevant company's assets and in particular the real estate assets of the relevant company, as well as guarantees issued by our Company. We expect that the borrowings of each company will be secured only against the assets of that company and will be on a non-recourse basis to the assets of the other company. The non-recourse nature of such borrowings may restrict the company's ability as a whole to raise debt finance.

Our Company and our Subsidiaries may be required to re-finance any borrowings they have from time to time. A number of factors (including changes in interest rates, conditions in the banking market and general economic conditions which are beyond our control) may make it difficult for us to obtain such new finance on attractive terms or even at all. If our borrowings become more expensive, relative to the income they receive from their investments, then our results of operations will be adversely affected. If we are not able to obtain new finance for any reason, we may suffer a substantial loss as a result of having to dispose of the investments which cannot be re-financed.

EXTERNAL RISK FACTORS

74. Difficulties faced by other financial institutions or the Indian financial sector generally could cause our business to suffer.

We are exposed to the risks resulting from our participation in the Indian financial sector. This sector in turn may be affected by financial difficulties and other problems faced by Indian financial institutions. Certain Indian financial institutions have experienced difficulties during recent years, and some banks have also faced serious financial and liquidity difficulties. Any major difficulty or instability experienced by the Indian financial sector could create adverse market perception, which in turn could adversely affect our business, financial condition and results of operations.

75. General economic conditions in India and globally could adversely affect our business and results of operation.

Our results of operations and financial condition depend significantly on worldwide economic conditions and the health of the Indian economy. Various factors may lead to a slowdown in the Indian or world economy which in turn may adversely impact our business, prospects, financial performance and operations.

We derive revenue from our operations in India and the performance and growth of our business is significantly dependent on the performance of the Indian economy. In the past, the Indian economy has been affected by global economic uncertainties, liquidity crisis, domestic policies, global political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, volatility in inflation rates and various other factors. Accordingly, high rates of inflation in India could increase our employee costs and decrease our operating margins, which could have an adverse effect on our results of operations.

Risk management initiatives undertaken by financial institutions in order to remedy the global economic slowdown could affect the availability of funds in the future or cause the withdrawal of our existing credit facilities. Further the Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, and emerging market conditions in Asia also have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business.

Any downturn in the macroeconomic environment in India could also adversely affect our business, prospects, result of operations, financial condition and the trading price of the Equity Shares. India’s economy could be adversely affected by a general rise in interest rates, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business and results of operations and the market price of the Equity Shares.

76. Any downgrading of India’s debt rating by a domestic or international rating agency could adversely affect our business.

India’s sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India’s foreign exchange reserves, which are outside our control. Any adverse revisions to India’s credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of the Equity Shares.

77. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects, results of operations and, financial condition.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, prospects, results of operations and financial condition, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

For instance, the General Anti-Avoidance Rules ("GAAR"), and the provisions of Chapter X-A (sections 95 to 102) of the Income Tax Act, 1961, are expected to be applicable from assessment year 2019 (Fiscal 2018) onwards. The GAAR provisions intend to declare an arrangement as an "impermissible avoidance arrangement", if the main purpose or one of the main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a significant overhaul, its consequent effects on economy cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

We have not determined the impact of these proposed legislations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

78. Our Company is subject to various Indian taxes and any adverse development in the taxation regime may have a material adverse effect on our results of operations.

Any increase in taxes and/ or levies, or the imposition of new taxes and/ or levies in the future, could increase the cost of production/ operating expenses. Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability.

79. Our ability to raise foreign capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

80. The recent currency demonetisation measures imposed by the Government of India may adversely affect our business and the Indian economy.

On November 8, 2016, the GoI withdrew the legal tender character of the ₹ 500 and ₹ 1,000 denominations of bank notes. These notes were being replaced with a new series of bank notes until December 31, 2016. In an effort to monitor replacement of demonetised notes, the GoI had specified restrictive limits for exchange and withdrawal of currency all over India. The process of demonetisation and replacement of these high denomination notes significantly reduced the liquidity in the Indian economy, being predominantly a cash-based economy. These factors muted availability of disposable income and alteration in consumption patterns of the economy in general. The comprehensive and long-term impact of this currency demonetisation measure cannot be ascertained at the moment.

81. Instability in Indian financial markets could adversely affect our results of operations and financial condition.

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in Asian emerging market countries. Financial turmoil in global economy in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

RISKS RELATING TO THE ISSUE

82. Our Company will not distribute the Letter of Offer and CAF to overseas Shareholders who have not provided an address in India for service of documents.

Our Company will dispatch the Letter of Offer and CAF (the "Offering Materials") to the Shareholders who have provided an address in India for service of documents. The Offering Materials will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in various overseas jurisdictions. However, the recently notified Section 20 of the Companies Act, 2013 requires companies to serve documents at any address which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act, 2013 and the rules thereunder with respect to distribution of Offering Materials in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdiction. While our Company will request its Shareholders to provide an address in India for the purposes of distribution of Offering Materials, our Company cannot assure that the regulator would not adopt a different view with respect to compliance with Section 20 of the Companies Act, 2013 and may subject the Company to fines or penalties.

83. The price of the Rights Equity Shares may be volatile.

The trading price of our Rights Equity Shares may fluctuate after the Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian real estate industry and the perception in the market about investments in the real estate industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding new projects, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets in general experience a loss of investor confidence, the trading price of our equity shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our equity shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could adversely affect the price of our equity shares.

84. Any future issuance of equity shares by our Company or sales of our equity shares by any of our Company's significant shareholders may adversely affect the trading price of our equity shares.

Any future issuance of Equity Shares by us could dilute your shareholding. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may also adversely affect the trading price of our Equity Shares, and could impact our ability to raise capital through an offering of our securities. We cannot assure you that we will not issue further equity shares or that the shareholders will not dispose of, pledge, or otherwise encumber their equity shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our equity shares.

85. Investors may be subject to Indian taxes arising out of capital gains on the sale of our equity shares.

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. However, any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT") has been paid on the transaction at the time of sale as well as acquisition, in accordance with the notification no. 43/2017 dated June 5, 2017 issued by Central Board of Direct Taxes.

STT will be levied on and collected by a domestic stock exchange on which our equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. In case of a shareholder being non-resident, capital gains arising from the sale of equity shares of an Indian company will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of our equity shares and credit for the taxes paid in India are allowed to take in their country, depending on prevailing tax laws of that country. The above statements are based on the current tax laws. However, the Government has proposed the introduction of the Direct Tax Code, which will revamp the implementation of direct taxes. If the same is passed in present form by both houses of Indian Parliament and approved by the President of India and then notified in the Gazette of India, the tax impact mentioned above will be altered by the Direct Tax Code.

86. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

The amount of future dividend payments, if any, will depend upon a number of factors, including but not limited to our future earnings, financial condition, cash flows, working capital requirements, contractual obligations, applicable Indian legal restrictions and capital expenditures. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing agreements our Company may enter into to finance our fund requirements for our business activities. There can be no assurance that we will be able to pay dividends in the future. For further information relating to our dividend policy, see "*Dividend Policy*" on page 215.

87. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

The annual rate of inflation, was at 3.24% (provisional) for the month of August, 2017 (over August, 2016) as compared to 1.88% (provisional) for the previous month and 1.09% during the corresponding month of 2016. (*Source: Index Numbers of Wholesale Price in India, Review for the month of August 2017, published on September 14, 2017 by Government of India, Ministry of Commerce and Industry*) Continued high rates of inflation may increase our expenses related to salaries or wages payable to our employees or any other expenses. There can be no assurance that we will be able to pass on any additional expenses to our payers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

88. The Equity Shares and Rights Equity Shares may experience price and volume fluctuations.

The market price of the Equity Shares can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the Indian finance and lending sector, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalization and deregulation policies, and significant developments in India's fiscal regulations. In addition, the Stock Exchanges may experience significant price and volume fluctuations, which may have a material adverse effect on the market price of the Equity Shares.

General or industry specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance also affect the price of the Equity Shares. In particular, the stock market as a whole recently experienced extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been unrelated to the companies' operating performances. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

***89. Foreign investors are subject to foreign investment restrictions under Indian law that limit our Company's ability to attract foreign investors, which may adversely affect the market price of the Equity Shares*.**

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents and issuances of shares to non-residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI. If such issuances or transfers of shares are not in compliance with such requirements or fall under any of the specified exceptions, then prior approval of the RBI will be required. We have undertaken or recorded such transactions in the past based on a *bona fide* interpretation of the law. We cannot assure you that our interpretation would be upheld by the Indian regulators. Any change in such interpretation could impact the ability of our Company to attract foreign investors.

In addition, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Government of India may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Government of India experiences extreme difficulty in stabilising the balance of payments, or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Government of India's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. We cannot assure you that any approval required from the RBI or any other government agency can be obtained on any particular terms, or at all.

90. Rights of shareholders under Indian law may differ or may be more limited than under the laws of other jurisdictions.

The Companies Act and rules made thereunder, the rules and regulations issued by SEBI and other regulatory authorities, the Memorandum of Association, and the Articles of Association govern the corporate affairs of the Company. Indian legal principles relating to these matters and the validity of corporate procedures, directors’ fiduciary duties and liabilities, and shareholders’ rights may differ from those that would apply to a company in another jurisdiction. Shareholders’ rights under Indian law may not be as extensive as shareholders’ rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as a shareholder in India than as a shareholder of a corporation in another jurisdiction. In accordance with the provisions of the Companies Act the voting rights of an equity shareholder in a company shall be in proportion to the share of a person in the paid-up equity share capital of that company. Further, Section 106(1) of the Companies Act read with the Articles of Association specifically provides that no member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid. Therefore, the rights of a Shareholder holding partly paid up Equity Shares will not be *pari-passu* with the rights of the other shareholders of our Company in case of non-payment of Call Money.

91. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by the company. However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor’s benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in the Company would be reduced.

92. Investors may not be able to enforce a judgment of a foreign court against us.

We are incorporated under the laws of India and all of our Directors and key management personnel reside in India. Majority of our assets, and the assets of certain of our Directors, key management personnel and other senior management, are also located in India. Where investors wish to enforce foreign judgments in India, they may face difficulties in enforcing such judgments. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. In order to be enforceable, a judgment obtained in a jurisdiction which India recognises as a reciprocating territory must meet certain requirements of the Civil Procedure Code, 1908 (the "CPC"). Further, the CPC only permits enforcement of monetary decrees not being in the nature of any amounts payable in respect of taxes or, other charges of a similar nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards. Judgments or decrees from jurisdictions not recognised as a reciprocating territory by India, cannot be enforced or executed in India. Even if a party were to obtain a judgment in such a jurisdiction, it would be required to institute a fresh suit upon the judgment and would not be able to enforce such judgment by proceedings in execution. Further, the party which has obtained such judgment must institute the new proceedings within three years of obtaining the judgment. As a result, the investor may be unable to: (i) effect service of process outside of India upon us and such other persons or entities; or (ii) enforce in courts outside of India judgments obtained in such courts against us and such other persons or entities.

It cannot be assured that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI to repatriate any amount recovered pursuant to the execution of such foreign judgment, and any such amount may be subject to income tax in accordance with applicable laws. In addition, the regulatory regime of our various international territories may have similar restrictions on enforcement of foreign judgments.

PROMINENT NOTES

1. Issue of [●] Equity Shares at a premium of ₹[●] per Equity Share for an amount aggregating to ₹20,000 million on a rights basis to the existing Equity Shareholders in the ratio of [●] Equity Share(s) for every [●] fully paid-up Equity Share(s) held by the existing Equity Shareholders on the Record Date. The Eligible Equity Shareholders will be required to pay [●]% of the Issue Price at the time of payment of Application Money, [●]% of the Issue Price shall be paid on or before the date of First Call, [●]% of the Issue Price shall be paid on or before the date of Second Call and [●]% of the Issue Price shall be paid on or before the date of Third and Final Call.

2. As of March 31, 2017, our net worth was ₹2,682.09 million as per the Restated Standalone Financial Statements and ₹4,664.30 million as per the Restated Consolidated Financial Statements.

3. There has been no financing arrangement whereby the Promoter Group, the directors of our Corporate Promoters, our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity during the period of six months immediately preceding the date of filing of this Draft Letter of Offer with SEBI.

4. Any clarification or information relating to the Issue shall be made available by the Lead Manager and our Company to the investors at large and no selective or additional information would be available for a section of investors in any manner whatsoever. Investors may contact the Lead Manager who has submitted the due diligence certificate to SEBI for any complaints pertaining to the Issue.

5. The name of our Company was changed from 'Indiabulls Securities Limited' to 'Indiabulls Ventures Limited' and a fresh certificate of incorporation consequent upon change of name was issued on March 12, 2015. The name of our Company was changed from 'Indiabulls Securities Limited' to 'Indiabulls Ventures Limited' to reflect various referral business activities carried out by us and the word 'ventures' signifies the summarized expression of the various activities carried out by us, and the objects clause of our Company were not required to be amended to carry out the activities under the new name.

6. For information regarding the business or other interests of our Group Companies in our Company, see "*Group Companies*" and "*Financial Statements*" on pages 205 and 216, respectively.

7. For details of related party transactions between our Company and Subsidiaries or Group Companies during the last Fiscal, including the nature and cumulative value of the transactions, see "*Financial Statements – Note 36 Related Party Transactions*" on page 271.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

Investors should note that this is only a summary of the industry in which our Company operates and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this Draft Letter of Offer, including the information in "Industry Overview" and "Financial Information" beginning on pages 54 *and* 216, *respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, see "Risk Factors" beginning on page* 19.

OVERVIEW OF THE INDIAN ECONOMY

The Indian economy with a gross domestic product ("GDP") at current prices in fiscal 2017 is estimated at ₹ 151,840 billion, showing a growth rate of 11.0 percent over the estimates of GDP for fiscal 2016 of ₹ 136,820 billion (*Source: Press Note on Provisional Estimates of Annual National Income, 2016-2017 and Quarterly Estimates of Gross Domestic Product for the Fourth Quarter of 2016-2017, Central Statistics Officer, Ministry of Statistics and Programme Implementation, Government of India, May 31, 2017*). The Indian economy in fiscal 2017 was marked by moderate expansion and macroeconomic stability, low inflation, and improvement in current account and fiscal deficits due to negative impacts from the global slowdown and the transient impact of demonetisation (*Source: RBI Annual Report 2016 - 2017*). Due to the slowdown in gross capital formation, the GDP growth in fiscal 2017 moderated, however, the Government and private consumption accelerated and held up aggregate demand. (*Source: RBI Annual Report 2016 - 2017*).

The GDP at constant (fiscal 2012) prices in the first quarter of fiscal 2018 is estimated at ₹ 31,100 billion, showing a growth rate of 5.7 percent over the estimates of GDP in the first quarter of fiscal 2017 of ₹ 29,420 billion (*Source: Press Note on Estimates of Gross Domestic Product for the first quarter (April-June) 2017-2018, Central Statistics Office, Ministry of Statistics and Programme Implementation, Government of India, August 31, 2017)*
The outlook for growth in fiscal 2018 has brightened, with the likelihood of another favourable monsoon and the implementation of major policy reforms such as the introduction of the Goods and Services Tax from July 1, 2017, which would help to unlock bottlenecks to growth (*Source: RBI Annual Report 2016 - 2017*). India is one of the fastest growing major economies in the world. The International Monetary Fund has projected India's GDP growth at 7.2% in fiscal 2018 (*Source: Indian Monetary Fund - World Economic Outlook Update, July 2017*).

The Union Budget 2017 announcements and the expectations of accelerated reforms and political stability further reinforced the overall positive business sentiment in India. The Union Budget 2017 reduced fiscal deficit from 3.9% of GDP in fiscal 2015 - 2016 to 3.5% in fiscal 2016 - 2017. Retail inflation measured by year-on-year variation in consumer price index declined by 2.18% in May 2017. (*Source: RBI - Financial Stability Report, June 2017*).

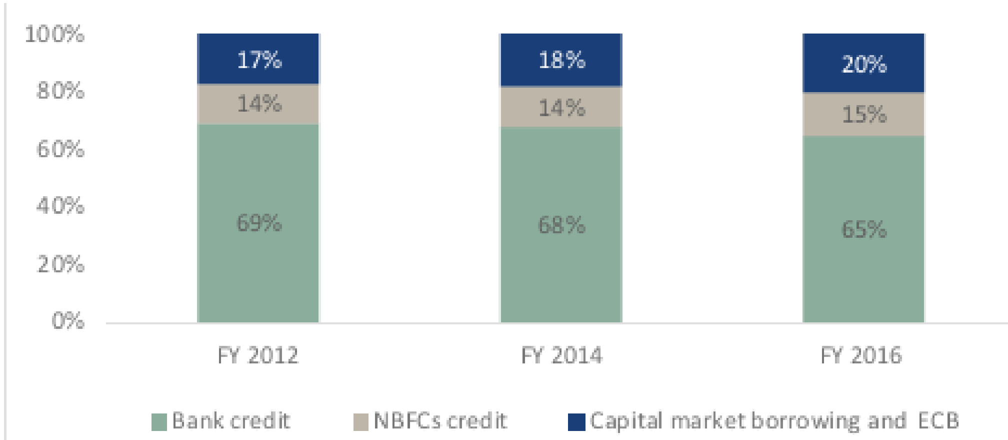
NON-BANKING FINANCIAL COMPANIES

Overview

Financing requirements in India have risen in accord with the Indian economy's notable growth over the past decade. Non-banking financial companies ("NBFCs") have played a major role in meeting this need, complementing banks and other financial institutions. NBFCs help fill gaps in the availability of financial services with respect to products as well as customer and geographic segments. A strong linkage at the grassroots level makes them a critical cog in the financial machine. They cater to the unbanked masses in rural and semi-urban reaches and lend to the informal sector and people without credit histories, thereby enabling the government and regulators to realise the mission of financial inclusion. (*Source: CRISIL Report*)

Going forward, NBFCs will have to intensify focus on their core strengths, diversify their portfolio, and create a niche with new offerings to help them grow in the competitive financial market. Given the positive operating conditions, well-capitalised NBFCs, and public sector banks struggling on asset quality front, there is significant scope for NBFCs to not only gain market share but also enter newer areas. (*Source: CRISIL Report*)

NBFCs share in systematic credit is growing steadily



Note:

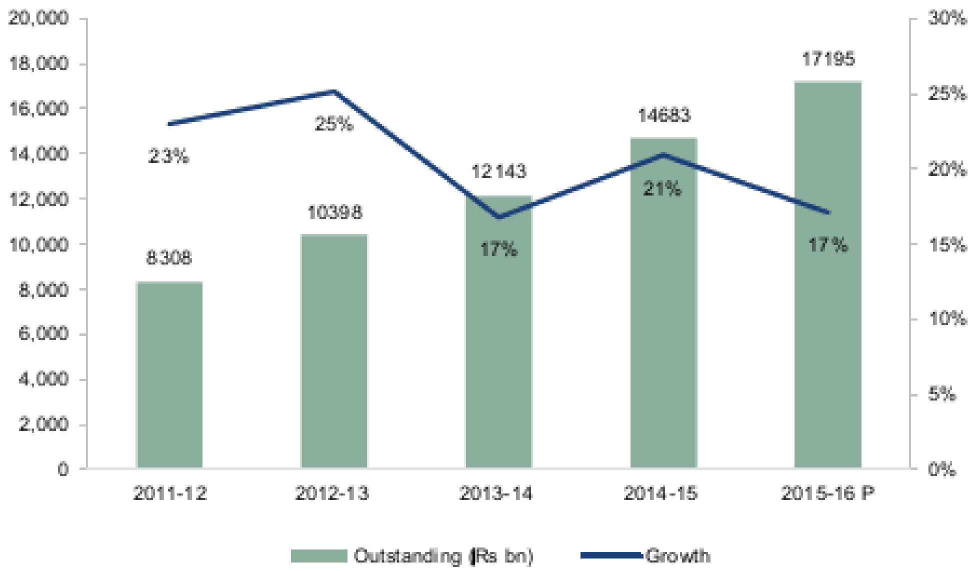
i. *Banks' credit includes outstanding of regional rural banks and co-operative banks; and*

ii. *Capital market borrowing and external commercial borrowings includes corporate bond, commercial papers outstanding, however, excludes amounts raised by banks and NBFC.*

Source: CRISIL Report

The outstanding credit of NBFCs expanded at a CAGR of 20% since fiscal 2012. This growth has not been uniform across segments. While microfinance has recorded the highest CAGR of 49%. Micro, small, and medium enterprises ("MSME") finance and loan against property also grew with a CAGR of over 40% and 33%, respectively. Housing, auto and infra loans grew moderately (CAGR of over 15%), while there was no growth in gold and construction equipment finance between fiscals 2012 and 2016. (*Source: CRISIL Report*)

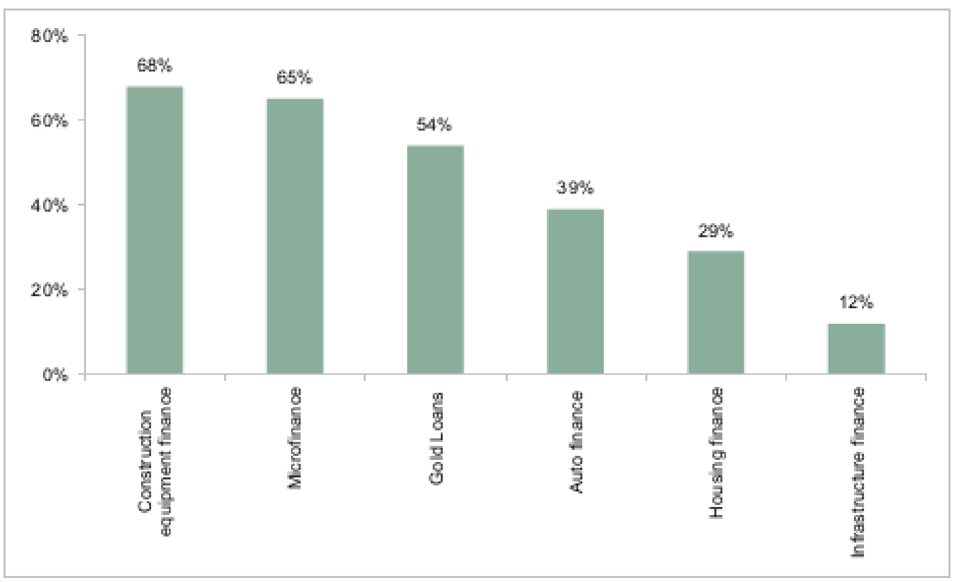
NBFCs outstanding grew at 20% CAGR since fiscal 2012



Source: CRISIL Report

The banking system is one of the major sources of funding for NBFCs, both directly and indirectly (securitisation), accounting for almost a third of the borrowings. But over the years, NBFCs have increased their borrowing from the bond market. Their cost of borrowing has reduced as a result since yields are more than 100 basis points lower than bank lending rates. (*Source: CRISIL Report*)

Segment-wise dependence on bank/financial institutions borrowings as percentage of total borrowings in fiscal 2016



Source: CRISIL Report

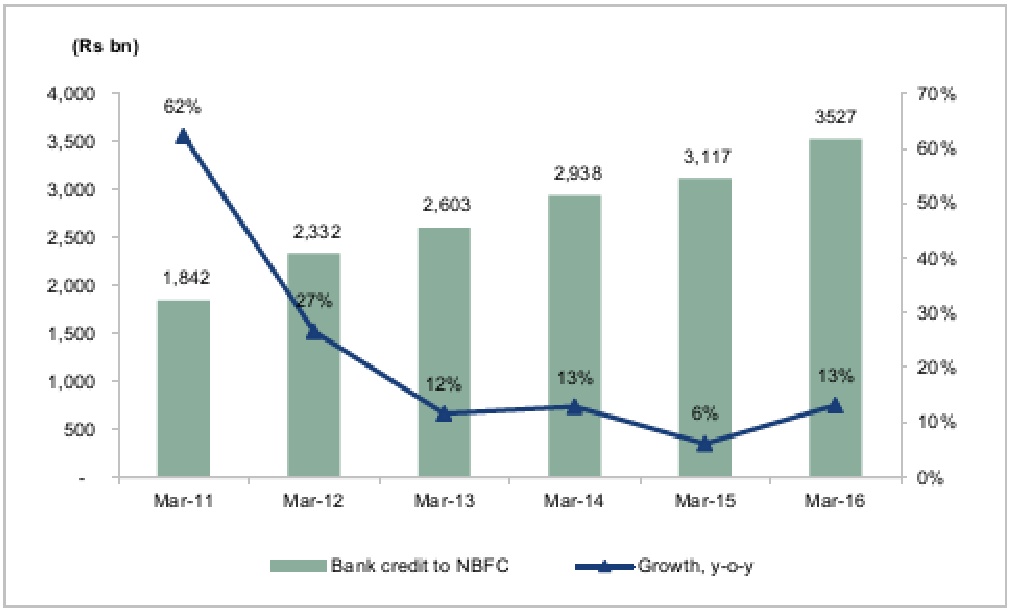
Before May 2011, banks had an incentive to lend to NBFCs since such loans could be classified as 'priority sector' lending in their books. Loans by NBFCs for on-lending to the agriculture sector, housing and small transport operators, among others, were classified as priority sector. Thus, NBFCs tapped bank funds at substantially lower costs than alternative borrowings. (*Source: CRISIL Report*)

In May 2011, the RBI removed the priority sector tag for bank loans to NBFCs, except loans given to companies operating in specific segments such as microfinance and housing finance, subject to conditions. This substantially raised the cost of funds for NBFCs. (*Source: CRISIL Report*)

In addition, portfolio buyouts, securitised receipts of NBFCs for microfinance, housing finance, and commercial vehicle players would be classified as priority sector provided the underlying asset is eligible for classification under priority sector advances and the all-inclusive interest rate charged to the ultimate borrower by the originating entity does not exceed the base rate of the investing bank plus 8% per annum (the interest rate cap is not applicable for securitised assets of MFIs as there is a separate cap on margin and interest rate). However, if underlying loans are extended against gold jewelleries by NBFCs, they are excluded from this priority sector classification benefit. (*Source: CRISIL Report*)

Bank lending to NBFCs has grown at 11% CAGR over the past three years. But if we look closely, the share of loans to NBFCs in the total non-food credit of banks has remained around 5% since 2012. (*Source: CRISIL Report*)

Banks' credit to NBFCs



Source: CRISIL Report

BROKERAGE INDUSTRY IN INDIA

The Indian domestic capital markets revived in fiscal 2017 with the support of favouarble market sentiment, healthy foreign institutional investment inflow and growing domestic institutional investor participation in the market. (*Source: ICRA Report*)

The equity turnover at the stock exchanges registered a robust growth of approximately 35% in fiscal 2017 and the Average Daily Turnover ("ADTO") increased to ₹ 4,050 billion in fiscal 2017 from ₹ 3,010 billion in fiscal 2016. The derivatives or the futures and options ("F&O") segment which witnessed a 9% decline in fiscal 2016, grew at 36% in fiscal 2017. The share of the derivative segment in the total market turnover increased to 94%, from approximately 93% during fiscal 2013 and fiscal 2016. The currency trading volumes of brokerage houses remained volatile in the past nine quarters after growing sizably in the fourth quarter of fiscal 2015. However, during the first quarter in fiscal 2018, the currency trading volumes rebounded to ₹ 22,430 billion with the ADTO rising to ₹ 370 billion, which was higher than the ADTO in the previous three quarters. Further, a large number of clients are opting to conduct transactions online and accordingly, most industry players have consolidated their networks and started to prefer to have fewer branches per city. (*Source: ICRA Report*)

In addition, the recent margin trading guidelines by SEBI is expected to have an encouraging effect on cash volumes. Margin trading would result in higher yields in cash segment and also help support the income profile and shore up the profitability of full-service brokerage houses given the price based competition from discount brokerage houses. (*Source: ICRA Report*)

It is expected that the broking industry revenue pool will increase between ₹ 180 billion to ₹ 190 billion in fiscal 2018 which will result in a 15% to 20% year-on-year growth on the back of healthy volume growth coupled with rise in cash volumes. The volume growth is expected to be about 20% to 25% in fiscal 2018, supported by positive investor sentiment and a benign capital market outlook. (*Source: ICRA Report*)

While the revenue stream continues to be dominated by brokerage revenues, attributing to 87% of total revenues, the depository income and distribution income reported a healthy growth in fiscal 2017. The net profit of the sample pool of brokerage houses analysed by ICRA, which include Edelweiss, Emkay Limited, HDFC Securities, IIFL, JM Financial, Karvy, Kotak Securities, Motilal Oswal, Philip Capital, Reliance Securities, Religare, and Sharekhan (collectively, "**ICRA Pool**"), reported a 56% growth in fiscal 2017 to ₹ 10 billion. Going forward, a further improvement in the profitability of brokers is expected in fiscal 2018 driven by higher revenues due to uptick in the equity markets, higher interest income and control on expenses provided the brokers are able to maintain their credit costs in margin lending business. (*Source: ICRA Report*)

SUMMARY OF BUSINESS

Investors should note that this is only a summary of our business and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares investors should read this Draft Letter of Offer, including the information in the sections "Risk Factors" and "Financial Information", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 19, 216, 139 and 334, respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section "Risk Factors" on page 19.

Overview

Indiabulls Ventures Limited is a financial services company engaged in providing securities and derivative broking services, in addition to the lending business carried out by its subsidiary IVL Finance Limited ("IVLFL"). Our Company was incorporated in 1995 and its longstanding presence in financial services has enabled us to establish "Indiabulls" as a recognized brand in the financial services sector. The Company's equity shares are listed on The National Stock Exchange of India Limited and BSE Limited and its Global Depository Receipts are listed on the Luxembourg Stock Exchange.

Our primary business verticals include our brokerage services business and other advisory services, and our lending business. We are also in the process of commencing operations of our asset reconstruction business through our wholly-owned subsidiary Indiabulls Asset Reconstruction Company Limited.

Brokerage Services. Our brokerage activities include equity, debt, derivative and currency trading, as well as equity research analysis, which are carried out on our trading platforms. Our online trading platform "Power Indiabulls" is an in-house developed specialized advanced trading platform that interfaces with the stock exchanges on a satellite-based network. We also operate a corresponding mobile variant "Mobile Power Indiabulls", that supports our brokerage activities. "Power Indiabulls" and "Mobile Power Indiabulls" provide enhanced trade execution on an integrated software based trading platform. Our Company has also recently been granted a category I merchant banking license from SEBI for the purpose of carrying out certain merchant banking activities.

Lending Business. Our lending business is carried out by IVL Finance Limited, a wholly owned subsidiary of our Company, registered as a non-banking finance company ("NBFC") with the Reserve Bank of India ("RBI"). Our lending business focuses on personal, business and other loans, and we are in the process of setting up a mobile based application "Dhani", an automated mode of lending which will enable loan application, risk analysis, credit approval, underwriting and disbursal processes to be carried out electronically through the application. As we continue to further expand our lending operations, we have infused ₹ 10 billion in the form of equity in IVLFL for this purpose.

Asset Reconstruction. We have set-up an asset reconstruction company, Indiabulls Asset Reconstruction Company Limited ("IARCL"), as a wholly owned subsidiary of our Company. IARCL was granted a certificate of registration from the RBI on May 19, 2017, to commence the business of securitization or asset reconstruction. We have recently infused equity capital of ₹ 1 billion in IARCL.

Real Estate Brokerage Services. This business is carried out by our subsidiary Indiabulls Investment Advisors Limited, an entity registered with relevant real estate regulatory authorities across various states in India, and primarily comprises real estate broking services.

We acquired India Land and Properties Limited ("ILPL"), a real estate development company with effect from November 18, 2014, and sold ILPL with effect from March 16, 2017. Our Restated Consolidated Financial Statements included in this Draft Letter of Offer therefore reflects the business and financial performance of ILPL for the period between November 18, 2014 and March 16, 2017. ILPL generates lease income primarily from commercial properties it owns in Chennai, India.

In Fiscal 2015, 2016 and 2017, our profit after tax was ₹ 1,471.46 million, ₹ 735.41 million and ₹ 1,244.88

million, respectively, and profit after tax (on a standalone basis) was ₹ 1,150.98 million, ₹ 170.56 million and ₹ 481.09 million, respectively.

Competitive Strengths

Established brand in the financial services industry

Our Company was incorporated in 1995, and over the last two decades we have diversified our business to include online and offline brokerage services, commodities trading, financing services, asset reconstruction services, and real estate brokerage services. We believe that the "Indiabulls" name has developed significant brand equity, particularly in the financial services sector in India, and has contributed to the growth of our business. Our Company has been rated "BQ1" by CRISIL for our broking activities, reflecting our established position as a capital markets and financial services company in India.

Scalable technology enabled trading platform

We have developed a scalable technology enabled trading platform designed to provide efficient, reliable, versatile and speedy transactions. Our "Power Indiabulls" trading platform is equipped with various consumer oriented features including access to real-time stock prices, live trading reports, charting and news streams, with reliable services. Our execution and clearing systems enable our clients to trade efficiently and reliably. We are able to integrate technological changes by upgrading our systems. We believe that our systems are scalable, enabling capacity expansion, with limited cost and operational adjustments. We believe that our stable technology infrastructure manages trade execution risk, ensuring increased customer confidence. We continue to introduce technology enhancements to our trading platform and operations across our other businesses to ensure operating efficiencies.

Seasoned management team

Our senior management team has extensive experience in financial markets and the financial services sector. We believe that our senior management team has contributed to the expansion and diversification of our business operations. Each of our business verticals is supported by a dedicated team of professionals. We believe our management team enables us to implement policies and processes that ensure operational efficiencies and that our current management structure allows scalability.

Business Strategies

Grow our lending business

We intend to focus on our lending business as a key focus area to expand our presence in the financial sector. Financing requirements have increased along with the growth in the Indian economy. NBFCs have played a major role in meeting this need, complementing banks and other financial institutions. NBFCs make financial services available with respect to underserved customers and geographic segments. Going forward, NBFCs will be required to intensify focus on their core strengths, diversify their portfolio, and introduce new products to enable them to gain presence in the competitive financial market. As public sector banks are currently struggling to meet asset quality requirements, there is a growing opportunity for well-capitalized NBFCs to gain market share, in addition to entering newer areas. *(Source: CRISIL Report)* We believe we are well placed to cater to this segment by expanding our lending business, through the acquisition of new customers, providing a convenient experience to customers and offering differentiated solutions to meet the specific needs of particular customer demographics. In order to expand our lending business, we have also infused ₹ 10 billion in the form of equity funding into IVLFL, our subsidiary, which is a registered NBFC with the RBI.

As part of our strategy to focus on our lending business, we intend to customize and introduce new loan products and evaluate other financing opportunities. We also intend to improve our lending processes and distribution channels through IVLFL. We are currently in the process of implementing a distinct distribution channel for our financing products in the form of an easy-to-use product accessible on mobile platforms through an application named "Dhani", which is a customized platform for loan origination and credit underwriting. Through such mobile application platform, customers will be able to apply for the loan, receive loan decision within a relatively short period of time, and organize loan disbursement, all through such automated mobile application platform. The platform will be equipped to run credit checks and process disbursements. The platform will be capable of generating credit scorecards after considering all factors, including an individual's internal credit rating, information from external credit bureaus and salary details. We expect a significant part of our personal loan business in the future to be developed through the "Dhani" mobile application platform. Our customized mobile based application will also enable customers to view their loan details and related statements, and make part-prepayment and payment of overdue installments using internet banking. We believe that our customer service initiatives coupled with the use of technology will allow us to increase our presence in the lending market and secure both new and repeat business in our lending operations.

Develop our asset reconstruction business

The Indian banking sector has been subject to the problem of stressed assets which has significantly worsened in recent years.Given the rise in NPA volumes in the banking sector and the corresponding pressure on the banking industry to maintain adequate capital, we intend to expand our presence in the financial services sector with our asset reconstruction business by leveraging the "Indiabulls" brand. Our subsidiary, IARCL, has recently received a certificate of registration from the RBI to commence the business of securitization or asset reconstruction under section 3 of the SARFAESI Act, 2002. During Fiscal 2018, we have made ₹ 1 billion equity infusion in the asset reconstruction business. We have also appointed an experienced senior management team to lead the asset reconstruction business, headed by a CEO with over two decades of experience in the financial services industry, including in the distressed asset business in India.

Continue to provide value-added brokerage services

The online channel for brokerage and trading has continued to gain popularity, and has emerged as the prime channel for large broking players. Competition from discount brokers, demographic shift in the customer profile with increasing number of younger clientele exhibiting strong preference for reduced human interactions and lower cost, have been some of the reasons driving online channels. The share of retail volumes from the online channel has also increased. In order to cater to the growing market for online trading, most players are focused on providing market participants with greater access to their trading facilities. A number of brokerage houses are encouraging clients to transact online, routing them to an exchange for a fee and clients have begun to bypass these brokers and execute their trades online. (*Source: ICRA Report*)

We believe that these developments provide opportunities for brokers such as us that can offer clients more value-added services. We offer our clients efficient access, electronically and through our personnel, to additional products, trading markets and regions, together with significant liquidity in our trading markets. We believe we are well positioned to withstand the pressures of disintermediation and price-compression in our industry. We believe that the competitive pressures in our industry present significant growth opportunities. We believe that because of our competitive strengths we can benefit from growing trading volumes and can gain market share from brokers that do not offer clients the value-added services we do. In addition, as exchange trading volumes rise, so will demand for clearing services, and while the exchanges provide clearing through their clearing houses, the latter require intermediation from approved clearing member firms. As a result, we believe that rising trading volumes on exchanges can lead to rising revenues for brokers that provide value-added execution services and clearing services.

Continue to improve productivity, reduce risks and decrease costs

We continue to improve our productivity, reduce risks and improve our customer service through the use of technology and focus on analytics. Through marketing and pricing analytics, we seek to identify and address the particular needs of specific customer segments in our various businesses. In order to ensure cost efficient operations, we have established a dedicated team which reviews and re-engineers our processes periodically to make our operations more efficient. We also have a financial planning and analysis unit which conducts periodic reviews of major expenditures to find methods to reduce the same. We believe that these initiatives enable us to ensure cost efficient operations across our various businesses.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Financial Statements as of and for the financial years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017. These financial statements have been prepared in accordance with Indian GAAP, applicable provisions of the Companies Act and restated in accordance with the SEBI ICDR Regulations, and are presented in the section "*Financial Statements*" on page 216. The consolidated summary financial information and standalone summary financial information presented below should be read in conjunction with our Restated Financial Information, the notes thereto and the section *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* on page 334.

RESTATED CONSOLIDATED FINANCIAL INFORMATION

Restated Consolidated Summary Statement of Assets and Liabilities, as at

(₹ in millions)

Particulars			**As at**				
			March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
I.	**EQUITY AND LIABILITIES**						
(1)	Shareholders' Funds						
	(a)	Share Capital	640.41	585.74	522.45	462.23	462.23
	(b)	Reserves and Surplus	4,023.89	2,690.93	2,628.80	1,971.67	2,026.84
	(c)	Money received against Share Warrants	166.15	-	100.56	189.18	-
			4,830.45	3,276.67	3,251.81	2,623.08	2,489.07
(2)	Share application money pending allotment		8.62	-	10.95	-	-
(3)	Non - Current Liabilities						
	(a)	Long-Term Borrowings	5.72	3,919.41	3,305.49	9.28	8.39
	(b)	Deferred Tax Liabilities (Net)	-	-	10.67	0.26	0.37
	(c)	Other Long-Term Liabilities	-	624.82	294.75	99.79	99.79
	(d)	Long-Term Provisions	107.85	82.00	64.90	50.33	50.68
			113.57	4,626.23	3,675.81	159.66	159.23
(4)	Current Liabilities						
	(a)	Short-Term Borrowings	15,183.27	17,083.77	13,533.16	3,661.98	1,358.95
	(b)	Trade Payables					
	(i)	Total outstanding due to micro enterprises and small enterprises	-	-	-	-	-
	(ii)	Total outstanding due to creditors other than micro enterprises and small enterprises	34.13	31.78	37.89	4.03	18.42
	(c)	Other Current Liabilities	2,044.97	2,036.82	3,607.78	1,601.21	1,425.68

	(d)	Short-Term Provisions	122.03	56.42	66.37	135.18	38.71
			17,384.40	19,208.79	17,245.20	5,402.40	2,841.76
		TOTAL	**22,337.04**	**27,111.69**	**24,183.77**	**8,185.14**	**5,490.06**
II.	**ASSETS**						
(1)	Non - Current Assets						
	(a)	Fixed Assets					
	(i)	Tangible Assets	768.09	5,315.98	5,499.59	268.45	318.93
	(ii)	Intangible Assets	57.28	70.30	53.85	41.03	3.82
	(iii)	Intangible Assets Under Development	0.37	-	-	-	10.00
	(iv)	Capital Work in Progress	78.75	363.40	114.61	-	-
			904.49	5,749.68	5,668.05	309.48	332.75
	(b)	Goodwill on Consolidation	215.32	1,349.68	1,219.39	215.33	-
	(c)	Non-Current Investments	0.05	0.05	0.05	125.37	426.30
	(d)	Deferred Tax Assets (Net)	152.40	241.08	187.61	157.23	70.87
	(e)	Long-Term Loans and Advances	706.87	611.35	210.96	599.77	325.47
	(f)	Other Non-Current Assets	4.56	178.39	167.39	57.90	117.39
			1,983.69	8,130.23	7,453.45	1,465.08	1,272.78
(2)	Current Assets						
	(a)	Current Investments	1625.00	-	693.55	198.48	-
	(b)	Trade Receivables	3,369.85	3,167.02	2,470.55	1,369.08	592.12
	(c)	Cash and Cash Equivalents	9,056.62	8,337.94	6,893.95	2,968.50	2,198.60
	(d)	Short-Term Loans and Advances	6,178.73	7,150.42	6,422.53	2,091.57	1,405.38
	(e)	Other Current Assets	123.15	326.08	249.74	92.43	21.18
			20,353.35	18,981.46	16,730.32	6,720.06	4,217.28
		TOTAL	**22,337.04**	**27,111.69**	**24,183.77**	**8,185.14**	**5,490.06**

Restated Consolidated Summary Statement of Profit and Loss, for the period ended

(₹ in millions except EPS and face value)

	Particular's	For the year ended				
		March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
	Income					
I.	Revenue from operations	4,093.46	3,714.98	3,327.12	2,848.32	1,852.53
II.	Other Income	903.76	300.49	703.46	102.35	84.47
III.	Total revenue (I + II)	**4,997.22**	**4,015.47**	**4,030.58**	**2,950.67**	**1,937.00**
IV.	**Expenses :**					
	Operating expenses	272.73	294.09	326.77	174.03	148.40
	Employee benefit expense	895.25	885.78	724.96	645.40	624.52
	Finance costs	1,378.34	1,474.75	603.32	252.52	82.18
	Other expenses	433.34	364.35	291.96	273.01	400.34
	Depreciation and amortisation expense	238.31	229.05	131.48	49.95	77.96
	Total expenses	**3,217.97**	**3,248.02**	**2,078.49**	**1,394.91**	**1,333.40**
V.	**Profit before tax (III-IV)**	1,779.25	767.45	1,952.09	1,555.76	603.60
VI.	**Tax expense / (Benefit) :**					
	(1) Current Tax	614.52	204.35	460.17	482.93	175.93
	Less: MAT Credit entitlement	(170.59)	(108.87)	(5.05)	-	-
	(2) Deferred Tax Expenses(net)	88.68	(64.14)	21.62	43.62	13.32
	(3) Restated adjustment for short / (excess) provision for tax	1.76	0.70	3.89	7.09	17.40
		534.37	**32.04**	**480.63**	**533.64**	**206.65**
VII.	Net Profit After Tax befor Minority Interest	1,244.88	735.41	1,471.46	1,022.12	396.95
VIII	Minority Interest	-	-	-	(0.22)	-
IX.	Profit after tax attributable to shareholders of the Company (VII-VIII)	**1,244.88**	**735.41**	**1,471.46**	**1,022.34**	**396.95**
X.	**Earnings per Equity Share**:					
	(1) Basic (Rs.)	4.22	2.52	5.69	4.42	1.72
	(2) Diluted (Rs.)	3.99	2.50	5.27	4.32	1.72
	Face value per Equity Share (Rs.)	2.00	2.00	2.00	2.00	2.00

Restated Consolidated Summary Statement of Cash Flow, for the period ended

(₹ in millions)

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
A Cash flows from Operating Activities :					
Profit before Tax	**1,779.25**	**767.45**	**1,952.09**	**1,555.76**	**603.60**
Adjustments for :					
Interest Income from Inter-Corporate Deposits	(22.86)	(108.75)	(66.95)	(19.64)	(10.59)
Interest Income from Loan	-	-	-	-	(26.88)
Dividend Income on Investments	(1.36)	(3.05)	(13.17)	(21.90)	(18.34)
Excess Provision for incentives and other expenses no longer required written back	(16.71)	(8.44)	(5.83)	(20.59)	(18.13)
Sundry Credit Balances written back	(30.73)	(9.75)	(2.22)	(8.69)	(3.40)
Unrealised Foreign Exchange Gain	(3.81)	(4.12)	(2.03)	(2.90)	(0.98)
Profit on Sale of Current Investments	(12.89)	(75.89)	(72.07)	(7.54)	(1.06)
Profit on Sale of Assets	(135.00)	(65.41)	(62.22)	-	-
Profit on Sale of Long-Term Investments	(672.92)	-	(469.66)	(7.98)	(1.30)
Loss / (Profit) on sale/ scrapping of fixed assets	0.73	(0.73)	(0.53)	23.37	9.05
Share of Profit in Associates (net)	-	-	-	(0.99)	(0.66)
Provision for Gratuity and Compensated Absences	12.49	17.14	12.60	(3.76)	(0.17)
Interest Expense	1,348.80	1,434.12	572.40	219.39	62.36
Loss on Disposal of Subsidiary Company	-	-	-	0.52	-
Contingent Provisions / Loan assets written off	20.96	0.19	-	0.21	-
Provision for Doubtful Debts, Advances and Security Deposits	12.39	1.71	0.41	3.95	39.40
Bad Debts / Advances / Security Deposits written off	7.43	1.30	0.83	0.87	0.44
Depreciation and Amortisation Expense	238.31	229.05	131.48	49.95	77.96
Operating Profit before Working Capital changes	**2,524.08**	**2,174.83**	**1,975.13**	**1,760.03**	**711.31**
Adjustments for:					
Trade Receivable and Other Assets	450.45	(2,784.30)	(3,767.00)	2,399.80	(893.28)
Trade Payables and Other Liabilities	(354.09)	1,069.48	(432.60)	(70.21)	(593.71)
	96.36	**(1,714.82)**	**(4,199.60)**	**2,329.59**	**(1,486.99)**
Cash (Used in) / Generated from Operations	2,620.44	460.00	(2,224.47)	4,089.62	(775.69)
Income Taxes Paid (net)	(664.87)	(357.62)	(455.62)	(327.92)	(173.54)
	(664.87)	(357.62)	(455.62)	(327.92)	(173.54)
Net cash generated from / (used in) operating activities	**1,955.57**	**102.38**	**(2,680.09)**	**3,761.70**	**(949.23)**

(₹ in millions)

Particular's	For the year ended March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
B Cash flow from Investing Activities :					
Purchase of Fixed Assets (including Capital Advances given (net))	(143.18)	(328.72)	(41.98)	(53.94)	(33.52)
Proceeds from Sale of Fixed Assets	2.64	3.54	1.27	6.91	4.00
Purchase of Long-Term Investments	(51.00)	(2,405.25)	(1,693.14)	(10.50)	-
Proceeds from Sale of Long-Term Investments	5,978.10	5.41	594.99	18.48	1.30
Proceeds from Sale of Short-Term Investments	-	-	20.39	-	-
Investment in Preference Share Capital	-	-	-	(750.00)	-
Proceeds from Redemption of Preference Share Capital	-	-	-	3,700.00	-
Investment in Optionally Convertible Debentures	-	-	-	(2,200.00)	-
Proceeds from Sale of Rights	143.33	47.75	-	-	-
(Purchase) / Redemption of units of Mutual Fund	(1,560.11)	769.44	(422.99)	(190.94)	401.08
Inter-Corporate Deposits Realised / (Given) (Net)	120.00	988.27	(1,810.49)	876.38	185.00
Other Loan Received Realised / (Given)	-	-	-	-	50.00
Interest Income from Loan	-	-	-	-	26.88
Proceeds from Escrow Account	-	-	-	16.05	-
Dividend Income on Investments	1.35	3.04	13.18	21.90	18.33
Interest Income from Inter-Corporate Deposits	22.86	146.26	29.45	19.64	10.59
Net cash generated from / (used in) investing activities	**4,513.99**	**(770.26)**	**(3,309.32)**	**1,453.98**	**663.66**
C Cash flows from Financing Activities					
Money received against Share Warrants	287.86	-	-	189.18	-
Proceeds from conversion of share warrants (including Securities Premium)	365.13	301.67	265.88	-	-
Proceeds from/ (Refund of) share application money	8.62	(1.28)	10.95	-	-
Proceeds from issue of Equity Shares (including Securities Premium)	46.76	2.62	49.43	-	-
(Repayment of) / Proceeds from Bank Loans (net)	(2,755.33)	2,234.56	8,628.90	627.13	504.85
Repayment of Other Secured Loans (net)	-	(600.00)	420.00	(5,319.20)	-
Proceeds from Commercial Papers (net)	-	1,500.00	1,500.00	1,500.00	500.00
Inter Corporate Deposits Taken (net)	950.00	1,000.00	1,000.00	12.50	-
Amount transferred to investor education and protection fund	(1.96)	(3.82)	-	-	-
Payment of Final Dividend on Equity Shares pertaining to prior years	(0.04)	(0.35)	(0.01)	(0.05)	(0.03)
Payment of Interim Dividend on Equity Shares	(0.26)	(873.46)	(1,034.26)	(918.82)	(456.10)

(₹ in millions)

Particular's	For the year ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Corporate Dividend Tax on Interim Dividend on Equity Shares	(65.19)	(178.02)	(186.03)	(157.11)	(74.98)
Interest Paid	(1,229.10)	(1,419.75)	(710.17)	(242.19)	(62.36)
Net cash (used in) / generated from financing activities	**(2,393.51)**	**1,962.17**	**9,944.69**	**(4,308.56)**	**411.38**
D Net Increase in Cash and Cash equivalents (A+B+C)	4,076.05	1,294.30	3,955.28	907.12	125.82
E Cash and Cash equivalents at the beginning of the year	6,902.64	5,608.34	1,642.04	525.31	399.49
F Cash and bank balances on (disposal) / acquisition of subsidiaries during the year (net)	(3,318.54)	-	11.03	209.61	-
G Cash and Cash equivalents at the end of the year (D+E+F)	**7,660.15**	**6,902.64**	**5,608.34**	**1,642.04**	**525.31**

RESTATED STANDALONE FINANCIAL INFORMATION

Restated Standalone Summary Statement of Assets and Liabilities, as at

(₹ in millions)

Particulars			As at				
			March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
I.	**EQUITY AND LIABILITIES**						
(1)	Shareholders' funds						
	(a)	Share capital	640.41	585.74	522.45	462.23	462.23
	(b)	Reserves and surplus	2,041.68	1,422.77	1,925.49	1,662.26	1,788.47
	(c)	Money received against share warrants	166.15	-	100.56	189.18	-
			2,848.24	2,008.51	2,548.50	2,313.67	2,250.70
(2)	Share application money pending allotment		8.62	-	10.95	-	-
(3)	Non-current liabilities						
	(a)	Long-term borrowings	-	-	0.11	0.94	2.24
	(b)	Other long-term liabilities	-	99.79	99.79	99.79	99.79
	(c)	Long-term provisions	37.30	29.12	25.36	21.97	41.55
			37.30	128.91	125.26	122.70	143.58
(4)	Current liabilities						
	(a)	Short-term borrowings	6,058.27	5,903.88	4,130.00	2,000.00	1,358.95
	(b)	Trade payables					
	(i)	Total outstanding due to micro enterprises and small enterprises	-	-	-	-	-
	(ii)	Total outstanding due to creditors other than micro enterprises and small enterprises	7.37	4.60	3.43	3.78	13.25
	(c)	Other current liabilities	1,776.35	742.43	795.20	866.80	1,018.84
	(d)	Short-term provisions	68.76	30.45	23.03	54.87	38.03
			7,910.75	6,681.36	4,951.66	2,925.45	2,429.07
		TOTAL	**10,804.91**	**8,818.78**	**7,636.37**	**5,361.82**	**4,823.35**
II.	**ASSETS**						
(1)	Non - current assets						
	(a)	Fixed assets					
	(i)	Tangible assets	27.08	40.68	64.89	232.19	297.41
	(ii)	Intangible assets	7.35	4.34	1.47	2.85	3.78
	(iii)	Intangible assets under development	0.37	-	-	-	-
			34.80	45.02	66.36	235.04	301.19
	(b)	Non-current investments	592.51	61.51	61.51	187.34	187.34
	(c)	Deferred tax assets (net)	81.39	83.39	83.48	44.45	67.89
	(d)	Long-term loans and advances	172.82	165.57	233.52	376.72	611.64
	(e)	Other non-current assets	4.36	14.08	11.18	15.35	4.84
			885.88	369.57	456.05	858.90	1,172.90

(2)	Current assets					
(a)	Trade receivables	418.99	313.11	337.76	190.43	202.14
(b)	Cash and cash equivalents	8,549.51	7,803.92	6,313.31	2,903.78	2,144.53
(c)	Short-term loans and advances	940.80	319.29	511.81	1,388.59	1,284.02
(d)	Other current assets	9.73	12.89	17.44	20.12	19.76
		9,919.03	8,449.21	7,180.32	4,502.92	3,650.45
	TOTAL	**10,804.91**	**8,818.78**	**7,636.37**	**5,361.82**	**4,823.35**

Restated Standalone Summary Statement of Profit and Loss, for the period ended

(₹ in millions)

Particulars		For the year ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
I.	Revenue from operations	835.99	763.42	808.93	763.11	1,080.91
II.	Other income	675.09	281.79	1,220.97	859.32	181.57
III.	Total revenue (I + II)	**1,511.08**	**1,045.21**	**2,029.90**	**1,622.43**	**1,262.48**
IV.	**Expenses :**					
	Operating expenses	96.00	74.53	82.29	75.79	111.71
	Employee benefits expense	267.71	201.87	197.61	192.36	271.39
	Finance costs	430.90	402.87	264.53	146.67	76.35
	Depreciation and amortisation expense	16.23	25.68	48.05	46.43	76.49
	Other expenses	94.75	76.09	81.85	134.51	269.11
	Total expenses	**905.59**	**781.04**	**674.33**	**595.76**	**805.05**
V.	Profit before tax (III-IV)	605.49	264.17	1,355.57	1,026.67	457.43
VI.	Tax expense / (benefit) :					
	(1) Current tax	122.41	92.80	200.10	123.70	136.59
	(2) Restated adjustment for short / (excess) provision for tax	-	0.72	1.97	1.67	7.43
	(3) Deferred Tax Expenses(net)	1.99	0.09	2.52	23.45	12.80
		124.40	**93.61**	**204.59**	**148.82**	**156.82**
VII.	**Restated Profit after tax**	**481.09**	**170.56**	**1,150.98**	**877.85**	**300.61**
VIII.	Earnings per Equity Share:					
	(1) Basic (Rs.)	1.63	0.58	4.45	3.80	1.30
	(2) Diluted (Rs.)	1.54	0.58	4.12	3.71	1.30
	Face value per Equity Share Rs.)	2.00	2.00	2.00	2.00	2.00

Restated Standalone Summary Statement of Cash Flow, for the period ended

(₹ in millions)

	Particulars	**For the year ended**				
		March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
A	**Cash flows from operating activities :**					
	Profit before tax	605.49	264.17	1,355.57	1,026.67	457.43
	Adjustments for :					
	Depreciation and amortisation expense	16.23	25.68	48.05	46.43	76.49
	Provision for Gratuity and Compensated Absences	8.17	3.88	3.47	(22.73)	(1.61)
	Provision for doubtful debts, advances and security deposits	12.00	0.30	0.41	3.95	39.39
	(Profit) / Loss on sale / scrapping of fixed assets	(0.69)	(1.48)	(0.53)	23.37	9.05
	Sundry credit balances written back	(19.51)	(9.75)	(2.22)	(8.37)	(3.40)
	Excess provision for expenses no longer required written back	(4.67)	(2.94)	(5.11)	(18.50)	(18.10)
	Profit on sale of long-term investments	-	-	(469.66)	(6.69)	(1.30)
	Profit on sale of current investments	-	-	-	-	(0.47)
	Unrealised foreign exchange gain	(3.81)	(4.12)	(2.03)	(2.90)	(0.98)
	Dividend income on investments	(246.05)	(1.11)	(419.79)	(619.04)	(14.69)
	Interest income from inter corporate deposits	(399.86)	(249.93)	(318.39)	(200.59)	(137.71)
	Interest income from Non-Convertible Debentures	(0.01)	(0.02)	-	-	-
	Interest expense	421.08	391.16	253.56	134.04	57.50
		(217.12)	151.67	(912.24)	(671.03)	4.17
	Operating Profit before working capital changes	388.37	415.84	443.33	355.64	461.60
	Adjustments for:					
	Trade receivables and other assets	(847.40)	82.07	111.11	397.20	196.28
	Trade payables and other liabilities	644.46	(36.98)	(74.00)	(140.22)	(750.12)
		(202.94)	45.09	37.11	256.98	(553.84)
	Cash generated from operations	185.43	460.93	480.44	612.62	(92.24)
	Income tax (paid) (net)	(84.09)	(86.19)	(195.20)	(105.39)	(80.58)
	Net cash generated / (used in) from operating activities	**101.34**	**374.74**	**285.24**	**507.23**	**(172.82)**
B	**Cash flows from investing activities :**					
	Purchase of fixed assets (including capital advances given)	(16.20)	(5.12)	99.33	(8.03)	(10.61)
	Proceeds from sale of fixed assets	0.97	2.24	1.27	6.91	4.00
	Proceeds from escrow account	-	5.41	-	16.05	-

(₹ in millions)

Particulars		For the year ended				
		March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
	Proceeds from sale of long-term investment	-	-	594.99	6.69	1.30
	Dividend income on other long-term investments	0.85	1.11	9.79	279.04	14.69
	Dividend income from subsidiary company	245.20	150.00	430.00	(170.00)	-
	Investment in subsidiary company	(531.00)	-	-	-	-
	Redemption of units of mutual funds	-	-	-	-	350.47
	Inter-corporate deposits (given) / received back from subsidiary company (net)	(209.40)	62.18	908.37	258.75	(532.00)
	Proceeds from sale of investment in subsidiary company	-	-	0.50	-	-
	Interest income from inter-corporate deposits to subsidiary company	399.86	249.93	318.39	200.59	137.71
	Interest income from non-convertible debentures	0.01	0.02	-	-	-
	Net cash (used in) / generated from investing activities	**(109.71)**	**465.77**	**2,362.64**	**930.00**	**(34.44)**
C	**Cash flows from financing activities**					
	Interest paid	(414.54)	(396.13)	(271.48)	(156.83)	(68.73)
	Payment of final dividend on equity shares pertaining to prior years	(0.04)	(0.35)	(0.01)	(0.05)	(0.03)
	Amount transferred to investor education and protection fund	(1.96)	(3.82)	-	-	-
	Payment of interim dividend on equity shares	(0.26)	(873.46)	(1,034.26)	(918.82)	(456.10)
	Corporate dividend tax on interim dividend on equity shares	(15.27)	(148.03)	(112.96)	(84.03)	(74.98)
	Proceeds / (Repayment of) from bank loans (net)	154.28	273.14	628.60	(860.24)	495.79
	Proceeds from commercial papers (net)	-	1,500.00	1,500.00	1,500.00	500.00
	Proceeds from issue of equity shares (including securities premium)	46.76	2.62	49.43	-	-
	Proceeds from conversion of share warrants (including securities premium)	365.13	301.67	265.88	-	-
	Proceeds from / (Refund of) share application money	8.62	(1.28)	10.95	-	-
	Money received against Share Warrants	287.86	-	-	189.18	-
	Net cash generated / (used in) from financing activities	**430.58**	**654.36**	**1,036.15**	**(330.79)**	**395.95**
D	**Net Increase in cash and cash equivalents (A+B+C)**	**422.21**	**1,494.87**	**3,684.03**	**1,106.44**	**188.69**
E	**Cash and cash equivalents at the beginning of the year**	**6,756.67**	**5,261.80**	**1,577.77**	**471.33**	**282.64**
F	**Cash and cash equivalents at the end of the year (D+E)**	**7,178.88**	**6,756.67**	**5,261.80**	**1,577.77**	**471.33**

THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors on September 21, 2017.

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in "*Terms of the Issue*" on page 403.

Rights Equity Shares being offered by our Company	[●] Rights Equity Shares
Rights Entitlement	[●] Rights Equity Shares for every [●] Equity Shares held on the Record Date
Record Date	[●]
Face Value per Rights Equity Share	₹2 each
Issue Price	₹[●] at a premium of ₹[●] per Rights Equity Share
Issue size	₹20,000 million
Equity Shares outstanding prior to the Issue*	442,391,002 Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	[●] Equity Shares
Money payable at the time of Application	₹[●]
Money payable at the time of First Call	₹[●]
Money payable at the time of Second Call	₹[●]
Balance money payable at the time of Third and Final Call	₹[●]
Call Payment Period	A period as may be fixed by the Board to enable the payment of the Calls by the holders of partly paid-up Rights Equity Shares
Terms of the Issue	Please refer to *"Terms of the Issue"* on page 403
Use of Issue Proceeds	For further information, see "*Objects of the Issue*" on page 110
Security Codes	ISIN: INE274G01010 BSE: 532960 NSE: IBVENTURES

**The Equity Shares outstanding prior to the Issue may change on account of conversion of outstanding warrants and options issued under the ESOP Schemes or pursuant to issuance of Equity Shares prior to the Issue. For details, please see "Capital Structure" on page 83.*

Terms of payment:

Amount payable per Rights Equity Share*	Face Value (₹)	Premium (₹)	Total (₹)

On Application	[●]	[●]	[●]
On First Call	[●]	[●]	[●]
On Second Call	[●]	[●]	[●]
On Third and Final Call	[●]	[●]	[●]
Total			[●]

**For details, please see "Terms of the Issue" on page 403.*

GENERAL INFORMATION

Our Company was incorporated as GPF Securities Private Limited on June 9, 1995 at Delhi and Haryana as a private limited company under the Companies Act, 1956. The name of our Company was changed to Orbis Securities Private Limited and a fresh certificate of incorporation consequent upon change of name was issued on December 15, 1995. Our Company was converted into a public limited company consequent to a special resolution passed by our Shareholders at the EGM held on October 31, 2003 and the name of our Company was changed to Orbis Securities Limited. A fresh certificate of incorporation consequent upon conversion to public limited company was issued on January 5, 2004. The name of our Company was changed to Indiabulls Securities Limited and a fresh certificate of incorporation consequent upon change of name was issued on February 16, 2004. On December 24, 2007, the assets, liabilities and investments of IBFSL's undertaking in relation to its securities broking and advisory business was demerged to our Company pursuant to the Scheme of Amalgamation; and our Company was demerged from its holding company, IBFSL (holding 100% shareholding in our Company), with the entire shareholding of IBFSL in our Company being extinguished. Subsequently, the Equity Shares of our Company were thereafter issued to the shareholders of IBFSL and listed on the Stock Exchanges on April 2, 2008. The name of our Company was further changed to Indiabulls Ventures Limited and a fresh certificate of incorporation consequent upon change of name was issued on March 12, 2015. For details of change in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 160.

Registered Office of our Company

M-62 & 63, First Floor, Connaught Place
New Delhi – 110 001, Delhi, India
Telephone: +91 11 3025 2900
Facsimile: +91 11 3015 6901
Website: www.indiabullsventures.com
Email: helpdesk@indiabulls.com
Registration No.: 55-069631
Corporate Identitification Number: L74999DL1995PLC069631

Corporate Offices of our Company

Indiabulls House, Indiabulls Finance Centre
Senapati Bapat Marg, Elphinstone Road
Mumbai – 400 013, Maharashtra, India
Telephone: +91 22 6189 9016
Facsimile: +91 22 6189 9001
Email: helpdesk@indiabulls.com

Indiabulls House, 448-451
Udyog Vihar, Phase V
Gurugram – 122 016, India
Telephone: +91 124 6681199
Facsimile: +91 124 6681240
Email: helpdesk@indiabulls.com

Address of the RoC

Our Company is registered with the RoC situated at the following address:

Registrar of Companies
Delhi and Haryana
4th Floor, IFCI Tower
Nehru Place, New Delhi – 110 019

Board of Directors

The Board of our Company comprises the following:

Name	Designation	DIN	Address
Sameer Gehlaut*	Chairman and Non-executive Director (Additional)	00060783	Indiabulls Finance Centre Tower 1, 18th floor Elphinstone Road Mumbai – 400 013
Divyesh Shah	Executive Director and Chief Executive Officer	00010933	4008, The Imperial North Tower, 40th Flr M P Mill Compound BB Nakashe Marg Tardeo Mumbai -400 034
Gagan Banga*	Non-executive Director (Additional)	00010894	243, Maker Tower B Wing 24th Floor, Cuffe Parade Colaba Mumbai – 400 005
Pinank Jayant Shah*	Executive Director (Additional)	07859798	Flat No. 5, Prabhudas Bldg No. 9A, St. Xaviers School Road Opposite Church Vile Parle (West) Mumbai – 400056
Labh Singh Sitara	Independent Director	01724648	H. No. 50, New Officers Colony, Patiala Punjab – 147 001
Vijayalakshmi Rajaram Iyer*	Independent Director (Additional)	05242960	C-1, Goodwill CHS Limited Opposite Jankalyan Sahkari Bank, J.B. Nagar, Andheri (East) Mumbai – 400 059
Shyam Lal Bansal*	Independent Director (Additional)	02910086	H. No. 1202A, LA Lagune, Golf Course Road, Sector-54, Gurgaon – 122 001, Haryana
Alok Kumar Misra*	Independent Director (Additional)	00163959	601, A Wing, 6th Floor Sterling Sea Face, 13/9 Dr. Annie Besant Road Worli Mumbai – 400018

* *Appointed as an additional director on the Board of our Company pursuant to the Board meeting dated August 28, 2017 and will be regularised as a Director on the Board of our Company subject to approval of Shareholders at the AGM of our Company proposed to be held on September 29, 2017.*

For further details of our Directors, see "*Our Management*" on page 183.

Company Secretary and Compliance Officer

Mr. Lalit Sharma
Indiabulls House, 448-451
Udyog Vihar, Phase V
Gurugram – 122 016, India
Telephone: +91 124 6681541
Facsimile: +91 124 6681240
Website: www.indiabullsventures.com
Email: lalit.s6@indiabulls.com

Chief Financial Officer

Mr. Rajeev Lochan Agrawal
Indiabulls House, 448-451
Udyog Vihar, Phase V
Gurugram – 122 016, India
Telephone: +91 124 6685900
Facsimile: +91 124 6685820
Website: www.indiabullsventures.com
Email: rajagrawal@indiabulls.com

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue/post-Issue related matters such as non-receipt of letter of Allotment, credit of Rights Equity Shares or Refund Orders and such other matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the Application was submitted by the ASBA Investors.

Lead Manager to the Issue

Axis Capital Limited
Axis House, 1st Floor
C-2 Wadia International Centre
P. B. Marg, Worli, Mumbai 400025, Maharashtra, India
Telephone: +91 22 4325 2183
Facsimile: +91 22 4325 3000
Email: ivl.rights@axiscap.in
Investor grievance email: complaints@axiscap.in
Contact Person: Ankit Bhatia/ Lohit Sharma
Website: www.axiscapital.co.in
SEBI Registration Number: INM000012029

Indian Legal Counsel to the Company

Shardul Amarchand Mangaldas & Co.
Express Towers, 23rd Floor
Nariman Point
Mumbai - 400 021
Maharashtra, India
Telephone: +91 22 4933 5555
Facsimile: +91 22 4933 5550

Indian Legal Counsel to the Lead Manager

AZB & Partners
AZB House
Peninsula Corporate Park
Ganpatrao Kadam Marg

Lower Parel
Mumbai – 400 013
Maharashtra, India
Telephone: +91 22 6639 6880
Facsimile: +91 22 6639 6888

International Legal Counsel to the Lead Manager

Squire Patton Boggs Singapore LLP
10 Collyer Quay
#03-01/03 Ocean Financial Centre
Singapore 049315
Telephone: +65 6922 8668
Facsimile: +65 6922 8650

Statutory Auditors of our Company*

M/s. Deloitte Haskins & Sells LLP
Indiabulls Finance Centre
Tower 3, 32nd Floor
Elphinstone Mill Compound, Senapati Bapat Marg
Elphinstone (W)
Mumbai 400 013, Maharashtra, India
Telephone No.: +91 22 6185 4000
Facsimile No..: + 91 22 6185 4601
Email: asiddharth@deloitte.com
Firm registration number: 117366W / W-100018
Contact Person: A. Siddharth]

** M/s. Deloitte Haskins & Sells LLP will be Statutory Auditors of the Company until the AGM proposed to be held on September 29, 2017 and will not be eligible for re-appointment as statutory auditors of the Company, on account of completion of two terms of five consecutive years as the statutory auditors of the Company, in accordance with the Companies Act, 2013. Our Board has proposed to appoint M/s. Walker Chandiok & Co LLP as the statutory auditors of our Company subject to approval of the Shareholders at the AGM of our Company proposed to be held on September 29, 2017.*

Registrar to the Issue

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli
Financial District, Nanakramguda
Hyderabad – 500 032, Andhra Pradesh, India
Telephone: +91 40 6716 2222
Facsimile: +91 40 2343 1551
Email: einward.ris@karvy.com
Investor grievance email: indiabullsventures.rights@karvy.com
Website: www.karisma.karvy.com
Contact Person: M Murali Krishna
SEBI Registration No.: INR000000221

Bankers to our Company:

HDFC Bank Limited HDFC Bank House Senapati Bapat Marg Lower Parel Mumbai 400013, Maharashtra, India Telephone: +91 93219 58230	**Yes Bank Limited** YES Bank Tower IFC 2, 24th Floor Senapati Bapat Marg Mumbai 400013, Maharashtra, India Telephone: +91 22 7100 9299

Facsimile: +91 3078 8580 Email: urvinder.singh@hdfcbank.com Website:www.hdfcbank.com Contact Person: Urvinder Singh	Facsimile: +91 22 2421 4500 Email: anirudh.jhawar@yesbank.in Website: www.yesbank.in Contact Person: Anirudh Jhawar
IDFC Bank Limited Naman Chambers C-32,G-Block Bandra Kurla Complex Mumbai 400051, Maharashtra, India Telephone: +91 98209 42869 Facsimile: +91 22 2654 0358 Email: amit.maheshwari@idfcbank.com Website: www.idfcbank.com Contact Person: Amit Maheshwari	**Axis Bank Limited** Capital Market Division Fort Branch Jeevan Prakash Building, Sir P M Road Mumbai-400001, Maharashtra, India Telephone: +91 22 4086 7505 Facsimile: +91 22 4086 7541; +91 22 4086 7542 Email:ajay.vyas@axisbank.com Website: www.axisbank.com Contact Person: Ajay Vyas

Bankers to the Issue

[●]

Refund Banker to the Issue

[●]

Underwriters

The Issue is not underwritten.

Self Certified Syndicate Bankers (SCSB):

The list of banks that have been notified by SEBI to act as SCSBs under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, for the ASBA process in accordance with the SEBI ICDR Regulations is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. Further, details relating to designated branches of SCSBs collecting the ASBA application forms are available at the above-mentioned link.

ASBA

For details in relation to the ASBA process, refer to the details given in the CAF and please see "*Terms of the Issue*" on page 403.

Monitoring Agency

The Company has appointed [●] as the monitoring agency to monitor the utilization of the Net Proceeds in terms of Regulation 16 of the SEBI (ICDR) Regulations.

Credit Rating

As this is an issue of Rights Equity Shares, there is no credit rating required for the Issue.

Appraising Entity

None of the purposes for which the Net Proceeds are proposed to be utilised have been financially appraised by any banks or financial institution or any other independent agency.

Expert

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from M/s. Deloitte Haskins & Sells LLP, chartered accountants, the Statutory Auditors of the Company, to include their name as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of the reports on the Restated Standalone Financial Statements and Restated Consolidated Financial Statements, each dated September 28, 2017, in the form and context, included in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer. However, the term "experts" and consent thereof does not represent an expert or consent within the meaning under the Securities Act.

Our Company has received written consent from A. Sardana & Co, chartered accountants, to include their name as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of the statement of tax benefits dated September 28, 2017, in the form and context, included in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer. However, the term "expert" herein shall not be construed to mean an "expert" as defined under the Securities Act.

Listing on the Stock Exchanges

The Equity Shares of our Company are listed and traded on the NSE and BSE. The GDRs of our Company are listed on the Luxembourg Stock Exchange.We received in-principle approvals for listing of the Rights Equity Shares from NSE by a letter dated [●] and from BSE by a letter dated [●]. The Designated Stock Exchange for the purposes of the Issue is [●]. We will make applications to the Stock Exchanges for final listing and trading approvals in respect of the Rights Equity Shares being offered in terms of this Draft Letter of Offer.

Debenture Trustee

As this is an Issue of the Rights Equity Shares, the appointment of debenture trustee is not required.

Statement of responsibility of the Lead Manager

Axis Capital Limited is the sole Lead Manager to the Issue. The details of responsibilities of the Lead Manager, is as follows:

Sr. No.	Activities
1.	Capital structuring with the relative components and formalities, type of instruments of the Issue in conformity with the SEBI ICDR Regulations, undertaking liaison with SEBI and the Stock Exchanges (including obtaining in-principle listing approval), as may be required under the prevailing framework of regulations/ rules/ guidelines issued by SEBI and the Stock Exchanges. Coordination with SEBI and assisting our Company in seeking requisite approvals /exemptions from any other regulator
2.	Assisting our Company and its legal advisors in drafting the draft and final Letters of Offer; conduct due diligence as may be required on our Company and assist in compliance with regulatory requirements of SEBI and the Stock Exchanges. Drafting and design of Abridged Letter of Offer and CAF
3.	Drafting and design of statutory and non-statutory advertisement/publicity material including newspaper advertisements and brochure or memorandum containing salient features of the offer document
4.	Assistance in selection of various agencies connected with the Issue, such as Registrars to the Issue, printers, advertising agencies and Bankers to the Issue, amongst others
5.	Formulating marketing strategy which will cover, inter alia: • Finalising the list and division of investors for one to one meetings; • Finalising road show schedule and investor meeting schedules; • Preparation of investor presentation; and

Sr. No.	Activities
	• Distribution of publicity and Issue materials including application form, brochure and Letter of Offer.
6.	Co-ordination with the Stock Exchanges for iBBS (internet based book building platform) and payment of security deposit to the Designated Stock Exchange
7.	Follow-up with the Bankers to the Issue to get quick estimates of collection and advising such banks about closure of the Issue, based on the reported figures.
8.	Post-issue activities, which shall involve essential follow-up steps including follow-up with Bankers to the Issue and Self Certified Syndicate Banks to get quick estimates of collection and advising the Company about the closure of the issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-Issue activity such as Registrars to the Issue, Bankers to the Issue, Self-Certified Syndicate Banks, etc.

Book Building Process

As the Issue is a rights issue, the Issue shall not be made through the book building process.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue, or the subscription level falls below 90%, after the Issue Closing Date on account of withdrawal of applications, our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date.

In the event that there is a delay of making refunds beyond such period as prescribed by applicable laws, our Company shall pay interest for the delayed period at rates prescribed under applicable laws. The above is subject to the terms mentioned under "*Terms of the Issue - Basis of Allotment*" on page 424.

CAPITAL STRUCTURE

The Equity Share capital of our Company as at the date of this Draft Letter of Offer is set forth below:

(₹, except share data)

Sr. No.	Particulars	Aggregate value at face value	Aggregate value at Offer Price
A.	**AUTHORIZED SHARE CAPITAL**		
	500,000,000 Equity Shares*	1,000,000,000	Not applicable
	25,000,000 Preference Shares	115,250,000	
	TOTAL	**1,115,250,000***	
B.	**ISSUED, SUBSCRIBED AND FULLY PAID UP SHARE CAPITAL BEFORE THE ISSUE**		
	442,391,002 Equity Shares**	884,782,004	
C.	**PRESENT ISSUE IN TERMS OF THIS DRAFT LETTER OF OFFER**		
	Issue of [●] Rights Equity Shares up to ₹20,000 million	[●]	[●]
D.	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER**		
	[●] Equity Shares	[●]	
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue	[●]	
	After the Issue***	[●]	

(1) *The Issue has been authorized by a resolution of our Board dated September 21, 2017, pursuant to section 62 of the Companies Act, 2013.*

* *The Board of Directors of our Company pursuant to their meeting dated August 28, 2017, approved the reclassification and increase of the authorised share capital of our Company from ₹1,115,250,000 divided into 500,000,000 Equity Shares and 25,000,000 Preference Shares, to ₹2,000,000,000 divided into 1,000,000,000 Equity Shares, subject to approval of the Shareholders at the AGM proposed to be held on September 29, 2017.*

** *Includes 60,477 Equity Shares underlying GDRs as on September 27, 2017.*

*** *The Equity Share Capital after the Issue includes the full value of the Rights Equity Shares allotted in the Issue. However, the Eligible Equity Shareholders will be required to pay [●]% of the Issue Price at the time of payment of Application Money, [●]% of the Issue Price shall be paid on or before the date of First Call, [●]% of the Issue Price shall be paid on or before the date of Second Call and [●]% of the Issue Price shall be paid on or before the date of Third and Final Call.*

CHANGES IN AUTHORISED SHARE CAPITAL OF OUR COMPANY*

Sr. No.	Date of Shareholders' Resolution	Details of changes in the Authorised Share Capital
1.	November 1, 1995	The authorised share capital of our Company increased from ₹10,000,000 divided into 1,000,000 equity shares of our Company of ₹10 each to ₹15,000,000 divided into 1,500,000 equity shares of our Company of ₹10 each.
2.	August 7, 1996	The authorised share capital of our Company increased from ₹15,000,000 divided into 1,500,000 equity shares of our Company of ₹10 each to ₹30,000,000 divided into 3,000,000 equity shares of our Company of ₹10 each.
3.	March 30, 2001	The authorised share capital of our Company increased from ₹30,000,000 divided into 3,000,000 equity shares of our Company of ₹10 each to ₹180,000,000 divided into 18,000,000 equity shares of our Company of ₹10 each.
4.	February 11, 2004	The authorised share capital of our Company increased from ₹180,000,000 divided into 18,000,000 equity shares of our Company of ₹10 each to ₹650,000,000, divided into 19,000,000 equity shares of our Company of ₹10 each and 46,000,000 redeemable cumulative preference shares of our Company of ₹10 each.

Sr. No.	Date of Shareholders' Resolution	Details of changes in the Authorised Share Capital
5.	December 24, 2007**	The authorised share capital of our Company increased from ₹650,000,000 divided into 19,000,000 equity shares of our Company of ₹10 each and 46,000,000 redeemable cumulative preference shares of our Company of ₹10 each, to ₹1,115,250,000 divided into 500,000,000 Equity Shares and 25,000,000 Preference Shares

* *The Board of Directors of our Company pursuant to their meeting dated August 28, 2017, approved the reclassification and increase of the authorised share capital of our Company from ₹1,115,250,000 divided into 500,000,000 Equity Shares and 25,000,000 Preference Shares, to ₹2,000,000,000 divided into 1,000,000,000 Equity Shares, subject to approval of the Shareholders at the AGM proposed to be held on September 29, 2017.*

** *The authorised share capital of our Company was increased pursuant to the Scheme of Amalgamation between ICSL, IBFSL and our Company. For further details, see "History and Certain Corporate Matters" on page 160.*

Notes to the Capital Structure

1. SHARE CAPITAL HISTORY OF OUR COMPANY

(a) The history of the Equity Share capital of our Company is set out in the table below:

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares
January 10, 2008	253,426,989	2	-	Other than cash	Scheme of Amalgamation*	253,426,989
May 27, 2009	(7,271)	2	31.49 (*Avergae Buy-back price per Equity Share*)	-	Buy-back of Equity Shares	253,419,718
February 8, 2010 to March 5, 2010	(23,479,070)	2	31.49 (*Average Buy-back price per Equity Share*)	-	Buy-back of Equity Shares	229,940,648
August 18, 2010	1,143,588	2	17.40	Cash	Allotment to employees under ESOP 2008	231,084,236
November 24, 2010	28,275	2	17.40	Cash	Allotment to employees under ESOP 2008	231,112,511
April 11, 2014	14,144,904	2	13.00	Cash	Allotment pursuant to conversion of warrants issued on a preferential basis(1)	245,257,415

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares
May 2, 2014	13,125,095	2	13.00	Cash	Allotment pursuant to conversion of warrants issued on a preferential basis[(2)]	258,382,510
July 3, 2014	2,393,526	2	17.40	Cash	Allotment to employees under ESOP 2008	260,776,036
December 3, 2014	42,400	2	17.40	Cash	Allotment to employees under ESOP 2008	260,818,436
January 2, 2015	11,650	2	17.40	Cash	Allotment to employees under ESOP 2008	260,830,086
January 27, 2015	392,995	2	17.40	Cash	Allotment to employees under ESOP 2008	261,223,081
April 7, 2015	20,111,217	2	13.00	Cash	Allotment pursuant to conversion of warrants issued on a preferential basis[(3)]	281,334,298
April 10, 2015	10,828,784	2	13.00	Cash	Allotment pursuant to conversion of warrants issued on a preferential basis[(4)]	292,163,082
August 28, 2015	580,560	2	17.40	Cash	Allotment to employees under ESOP 2008	292,743,642
November 30, 2015	28,250	2	17.40	Cash	Allotment to employees under ESOP 2008	292,771,892
January 30, 2016	97,650	2	17.40	Cash	Allotment to employees under ESOP 2008	292,869,542
September 16, 2016	196,110	2	17.40	Cash	Allotment to employees under ESOP 2008	293,065,652
October 5, 2016	350,000	2	17.40	Cash	Allotment to employees under ESOP 2008	293,415,652
October 27, 2016	750	2	17.40	Cash	Allotment to employees under ESOP 2008	293,416,402

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares
February 23, 2017	890,518	2	17.40	Cash	Allotment to employees under ESOP 2008	294,306,920
March 7, 2017	24,650,000	2	19.75	Cash	Allotment pursuant to conversion of warrants issued on preferential basis(5)	318,956,920
March 10, 2017	1,250,000	2	17.40	Cash	Allotment to employees under ESOP 2008	320,206,920
April 10, 2017	33,650,000	2	19.75	Cash	Allotment pursuant to conversion of warrants issued on a preferential basis(6)	353,856,920
May 10, 2017	38,865,582	2	58.40	Cash	Preferential allotment(7)	392,722,502
May 15, 2017	219,900	2	17.40	Cash	Allotment to employees under ESOP 2008	392,942,402
	3,00,000	2	31.35	Cash	Allotment to employees under ESOP 2009	393,242,402
June 6, 2017	47,390,000	2	94.70	Cash	Preferential Allotment(8)	440,632,302
June 20, 2017	500	2	17.40	Cash	Allotment to employees under ESOP 2008	440,632,902
	1,758,100	2	16.00	Cash	Allotment to employees under ESOP 2009	442,391,002

* *Our Company was a wholly owned subsidiary of IBFSL prior to the Scheme of Amalgamation. Pursuant to the Scheme of Amalgamation, our Company was demerged from its holding company, IBFSL (holding 100% shareholding in our Company), with the entire shareholding of IBFSL in our Company being extinguished. Fresh shares were thereafter issued to the shareholders of IBFSL pursuant to the Scheme of Amalgamation. For details in relation to the Scheme of Amalgamation between ICSL, IBFSL and our Company, see 'History and Certain Corporate Matters' on page 160.*

(1) *14,144,904 Equity Shares were allotted to Orthia Properties Private Limited.*

(2) *4,911,456 Equity Shares were allotted to Inuus Constructions Private Limited, 4,199,581 Equity Shares were allotted to Hespera Constructions Private Limited, 1,514,058 Equity Shares were allotted to Orthia Properties Private Limited, 2,500,000 Equity Shares were allotted to Divyesh Shah.*

(3) *5,987,203 Equity Shares were allotted to Sameer Gehlaut, 922,343 Equity Shares were allotted to Orthia Properties Private Limited, 11,701,671 Equity Shares were allotted to Orthia Constructions Private Limited, 1,500,000 Equity Shares were allotted to Divyesh Shah.*

(4) *1,877,895 Equity Shares were allotted to Rajiv Rattan, 3,959,541 Equity Shares were allotted to Inuus Constructions Private Limited, 1,605,710 Equity Shares were allotted to Saurabh Kumar Mittal, 3,385,638 Equity Shares were allotted to Hespera Constructions Private Limited.*

(5) 12,700,000 Equity Shares were allotted to Orthia Constructions Private Limited, 11,950,000 Equity Shares were allotted to Zelkova Builders Private Limited.
(6) 15,300,000 Equity Shares were allotted to Orthia Constructions Private Limited, 14,350,000 Equity Shares were allotted to Zelkova Builders Private Limited, 4,000,000 Equity Shares were allotted to Divyesh Shah.
(7) 38,865,582 Equity Shares were allotted to Cinnamon Capital Limited
(8) 47,390,000 Equity Shares were allotted to Tamarind Capital Pte. Limited

(b) The table below sets out details of the Equity Shares issued by our Company at a price which may be lower than the Issue Price during a period of one year preceding the date of this Draft Letter of Offer.

Date of allotment	**Number of Equity Shares held**	**Name of allottee(s)**	**Face value per Equity Share (₹)**	**Issue price (₹)**	**Reasons for allotment**	**Whether allotment to Promoter(s) and/ or members of the Promoter Group**
October 5, 2016	350,000	Eligible employees under ESOP 2008	2	17.40	Exercise of stock options under ESOP 2008	No
October 27, 2016	750	Eligible employees under ESOP 2008	2	17.40	Exercise of stock options under ESOP 2008	No
February 23, 2017	890,518	Eligible employees under ESOP 2008	2	17.40	Exercise of stock options under ESOP 2008	No
March 7, 2017	24,650,000	3. Orthia Constructions Private Limited; and 4. Zelkova Builders Private Limited	2	19.75	Allotment pursuant to conversion of warrants issued on preferential basis to raise funds in order to meet growing business requirements, proposed expansion plans and diversification.of our Company	Yes
March 10, 2017	1,250,000	Eligible employees under ESOP 2008	2	17.40	Exercise of stock options under ESOP 2008	No
April 10, 2017	33,650,000	4. Orthia Constructions Private Limited; 5. Zelkova Builders Private Limited; and 6. Divyesh Shah	2	19.75	Allotment pursuant to conversion of warrants issued on a preferential basis to raise funds in order to meet growing business requirements,	Yes, other than Divyesh Shah who is an Executive Director on the Board of our Company

Date of allotment	Number of Equity Shares held	Name of allottee(s)	Face value per Equity Share (₹)	Issue price (₹)	Reasons for allotment	Whether allotment to Promoter(s) and/ or members of the Promoter Group
					proposed expansion plans and diversification. of our Company	
May 10, 2017	38,865,582	Cinnamon Capital Limited	2	58.40	Preferential allotment of Equity Shares to raise funds in order to meet growing business requirements, proposed expansion plans and diversification of our Company.	No
May 15, 2017	219,900	Eligible employees under ESOP 2008	2	17.40	Exercise of stock options under ESOP 2008	No
	3,00,000	Eligible employees under ESOP 2009	2	31.35	Exercise of stock options under ESOP 2009	No
June 6, 2017	47,390,000	Tamarind Capital Pte. Limited	2	94.70	Preferential allotment of Equity Shares to raise funds in order to meet growing business requirements, proposed expansion plans and diversification of our Company.	No
June 20, 2017	500	Eligible employees under ESOP 2008	2	17.40	Exercise of stock options under ESOP 2008	No
	1,758,100	Eligible employees under ESOP 2009	2	16.00	Exercise of stock options under ESOP 2009	No

2. ISSUE OF EQUITY SHARES IN THE LAST TWO PRECEDING YEARS

For details of issue of Equity Shares by our Company in the last two preceding years, see "– *Share Capital History of our Company*" on page 84.

3. ISSUE OF SHARES FOR CONSIDERATION OTHER THAN CASH

Our Company has not issued any Equity Shares out of revaluation of reserves. Our Company has issued and allotted 253,426,989 Equity Shares to the members of IFSL, pursuant to the Scheme of Amalgamation resulting in demerger and transfer of securities broking and advisory business undertaking of IFSL to our Company.

Other than the issuance of Equity Shares pursuant to the Scheme of Amalgamation as mentioned above, our Company has not issued any Equity Shares for consideration than cash and other than the benefits accrued pursuant to the Scheme of Amalgamation and the listing of Equity Shares, there are no other benefits accrued to our Company pursuant to issuance of Equity Shares for consideration other than cash.

4. HISTORY OF THE EQUITY SHARE CAPITAL HELD BY OUR PROMOTERS

As on the date of this Draft Letter of Offer, our Promoters hold 152,748,802 Equity Shares, equivalent to 34.53% of the issued, subscribed and paid-up Equity Share capital of our Company. All Equity Shares issued to our Promoters were fully paid-up at the time of allotment.

(a) Build-up of our Promoters' shareholding in our Company

The build-up of the equity shareholding of our Promoters since incorporation of our Company is set out in the tables below:

(i) Mr. Sameer Gehlaut

Date of allotment / transfer	Nature of transaction	Number of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price / Transfer price per Equity Share (₹)	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%)
January 10, 2008	Demerger	34,171,089	Other than cash	2	-	7.73	[●]
April 7, 2015	Allotment pursuant conversion to warrants	5,987,203	Cash	2	13.00	1.35	[●]
Total		**40,158,292**				**9.08**	[●]

(ii) Orthia Properties Private Limited

Date of allotment / transfer	Nature of transaction	Number of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price / Transfer price per Equity Share (₹)	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%)
November 11, 2011	Market Purchase	91,536	Cash	2	7.49	0.02	[●]
November 14, 2011	Market Purchase	181,815	Cash	2	7.51	0.04	[●]
November 15, 2011	Market Purchase	600,000	Cash	2	7.51	0.14	[●]
December 28, 2011	Market Purchase	142,487	Cash	2	5.76	0.03	[●]
December 29, 2011	Market Purchase	77,471	Cash	2	5.76	0.02	[●]

Date of allotment / transfer	Nature of transaction	Number of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price / Transfer price per Equity Share (₹)	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%)
December 30, 2011	Market Purchase	366,679	Cash	2	5.74	0.08	[●]
January 2, 2012	Market Purchase	4,441	Cash	2	5.76	0.00	[●]
January 3, 2012	Market Purchase	182,196	Cash	2	6.63	0.04	[●]
January 4, 2012	Market Purchase	911,097	Cash	2	7.43	0.21	[●]
January 5, 2012	Market Purchase	115,445	Cash	2	7.51	0.03	[●]
January 6, 2012	Market Purchase	68,015	Cash	2	7.51	0.02	[●]
January 7, 2012	Market Purchase	15,212	Cash	2	7.51	0.00	[●]
January 9, 2012	Market Purchase	125,808	Cash	2	7.51	0.03	[●]
January 10, 2012	Market Purchase	297,674	Cash	2	8.01	0.07	[●]
January 11, 2012	Market Purchase	172,886	Cash	2	8.01	0.04	[●]
January 12, 2012	Market Purchase	96,337	Cash	2	8.42	0.02	[●]
January 13, 2012	Market Purchase	1,812,112	Cash	2	8.88	0.41	[●]
January 16, 2012	Market Purchase	133,365	Cash	2	8.86	0.03	[●]
January 17, 2012	Market Purchase	267,342	Cash	2	9.28	0.06	[●]
January 18, 2012	Market Purchase	357,845	Cash	2	9.26	0.08	[●]
January 19, 2012	Market Purchase	1,311,387	Cash	2	9.91	0.30	[●]
January 20, 2012	Market Purchase	543,087	Cash	2	10.01	0.12	[●]
March 15, 2012	Market Purchase	103,555	Cash	2	9.86	0.02	[●]
March 16, 2012	Market Purchase	207,555	Cash	2	10.01	0.05	[●]
March 19, 2012	Market Purchase	330,036	Cash	2	10.01	0.07	[●]
March 20, 2012	Market Purchase	164,267	Cash	2	10.01	0.04	[●]
March 21, 2012	Market Purchase	7,619	Cash	2	10.02	0.00	[●]
March 22, 2012	Market Purchase	146,897	Cash	2	10.01	0.03	[●]
March 23, 2012	Market Purchase	793,584	Cash	2	10.02	0.18	[●]
March 26, 2012	Market Purchase	352,123	Cash	2	10.01	0.08	[●]
August 8, 2012	Market Purchase	1,000,000	Cash	2	7.56	0.23	[●]
August 9, 2012	Market Purchase	800,000	Cash	2	7.35	0.18	[●]
August 13, 2012	Market Purchase	400,000	Cash	2	6.98	0.09	[●]

Date of allotment / transfer	Nature of transaction	Number of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price / Transfer price per Equity Share (₹)	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%)
August 16, 2012	Market Purchase	540,414	Cash	2	6.86	0.12	[●]
August 17, 2012	Market Purchase	13,365	Cash	2	7.01	0.00	[●]
August 22, 2012	Market Purchase	52,093	Cash	2	7.01	0.01	[●]
August 23, 2012	Market Purchase	110,438	Cash	2	7.01	0.02	[●]
August 24, 2012	Market Purchase	125,696	Cash	2	7.01	0.03	[●]
August 27, 2012	Market Purchase	31,101	Cash	2	7.01	0.01	[●]
August 28, 2012	Market Purchase	125,539	Cash	2	7.01	0.03	[●]
August 29, 2012	Market Purchase	10,000	Cash	2	7.01	0.00	[●]
August 31, 2012	Market Purchase	131,925	Cash	2	7.00	0.03	[●]
September 3, 2012	Market Purchase	136,125	Cash	2	7.01	0.03	[●]
September 4, 2012	Market Purchase	31,698	Cash	2	7.01	0.01	[●]
September 5, 2012	Market Purchase	259,799	Cash	2	7.39	0.06	[●]
September 6, 2012	Market Purchase	37,034	Cash	2	7.51	0.01	[●]
September 7, 2012	Market Purchase	43,424	Cash	2	7.51	0.01	[●]
September 10, 2012	Market Purchase	77,521	Cash	2	7.70	0.02	[●]
September 11, 2012	Market Purchase	239,435	Cash	2	7.97	0.05	[●]
September 12, 2012	Market Purchase	453,252	Cash	2	8.01	0.10	[●]
September 25, 2012	Market Purchase	1,000,000	Cash	2	8.41	0.23	[●]
October 1, 2012	Market Purchase	67,626	Cash	2	8.50	0.02	[●]
October 5, 2012	Market Purchase	657,886	Cash	2	9.93	0.15	[●]
October 8, 2012	Market Purchase	500,000	Cash	2	9.98	0.11	[●]
October 10, 2012	Market Purchase	500,000	Cash	2	9.22	0.11	[●]
October 29, 2012	Market Purchase	1,000,000	Cash	2	11.35	0.23	[●]
October 30, 2012	Market Purchase	1,504,667	Cash	2	11.29	0.34	[●]
November 1, 2012	Market Purchase	89,226	Cash	2	9.95	0.02	[●]
November 6, 2012	Market Purchase	100,366	Cash	2	9.51	0.02	[●]
November 12, 2012	Market Purchase	86,000	Cash	2	10.01	0.02	[●]
November 15, 2012	Market Purchase	50,060	Cash	2	10.01	0.01	[●]

Date of allotment / transfer	Nature of transaction	Number of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price / Transfer price per Equity Share (₹)	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%)
November 23, 2012	Market Purchase	200,000	Cash	2	10.51	0.05	[●]
November 26, 2012	Market Purchase	539,923	Cash	2	10.88	0.12	[●]
November 27, 2012	Market Purchase	300,000	Cash	2	11.01	0.07	[●]
November 29, 2012	Market Purchase	27,543	Cash	2	11.51	0.01	[●]
November 30, 2012	Market Purchase	184,971	Cash	2	11.50	0.04	[●]
April 1, 2013	Market Purchase	341,347	Cash	2	8.99	0.08	[●]
April 2, 2013	Market Purchase	310,374	Cash	2	9.42	0.07	[●]
April 3, 2013	Market Purchase	432,659	Cash	2	9.50	0.10	[●]
April 4, 2013	Market Purchase	116,502	Cash	2	9.14	0.03	[●]
April 5, 2013	Market Purchase	402,019	Cash	2	9.63	0.09	[●]
April 8, 2013	Market Purchase	310,923	Cash	2	9.99	0.07	[●]
April 9, 2013	Market Purchase	79,176	Cash	2	10.01	0.02	[●]
April 11, 2014	Allotment pursuant conversion to warrants	14,144,904	Cash	2	13.00	3.20	[●]
May 2, 2014	Allotment pursuant conversion to warrants	1,514,058	Cash	2	13.00	0.34	[●]
April 7, 2015	Allotment pursuant conversion to warrants	922,343	Cash	2	13.00	0.21	[●]
Total		**39,981,305**				**9.04**	[●]

(iii) Zelkova Builders Private Limited

Date of allotment / transfer	Nature of transaction	Number of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price / Transfer price per Equity Share (₹)	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%)
April 9, 2013	Market Purchase	290,615	Cash	2	10.01	0.07	[●]
April 10, 2013	Market Purchase	242,786	Cash	2	10.01	0.05	[●]
April 11, 2013	Market Purchase	72,572	Cash	2	10.01	0.02	[●]
April 12, 2013	Market Purchase	322,859	Cash	2	10.01	0.07	[●]
April 15, 2013	Market Purchase	101,327	Cash	2	10.01	0.02	[●]

Date of allotment / transfer	Nature of transaction	Number of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price / Transfer price per Equity Share (₹)	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%)
April 26, 2013	Market Purchase	1,000,000	Cash	2	10.99	0.23	[●]
April 29, 2013	Market Purchase	775,657	Cash	2	11.71	0.18	[●]
April 30, 2013	Market Purchase	334,359	Cash	2	12.01	0.08	[●]
May 2, 2013	Market Purchase	674,679	Cash	2	12.00	0.15	[●]
May 3, 2013	Market Purchase	1,392,389	Cash	2	11.98	0.31	[●]
May 6, 2013	Market Purchase	646,066	Cash	2	10.85	0.15	[●]
May 7, 2013	Market Purchase	53,344	Cash	2	11.01	0.01	[●]
May 8, 2013	Market Purchase	325,636	Cash	2	11.01	0.07	[●]
May 9, 2013	Market Purchase	95,158	Cash	2	10.76	0.02	[●]
May 10, 2013	Market Purchase	280,087	Cash	2	10.94	0.06	[●]
March 7, 2017	Allotment pursuant conversion to warrants	11,950,000	Cash	2	19.75	2.70	[●]
April 10, 2017	Allotment pursuant conversion to warrants	14,350,000	Cash	2	19.75	3.24	[●]
Total		**32,907,534**				**7.44**	[●]

(iv) Orthia Constructions Private Limited

Date of allotment / transfer	Nature of transaction	Number of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price / Transfer price per Equity Share (₹)	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%)
April 7, 2015	Allotment pursuant conversion to warrants	11,701,671	Cash	2	13.00	2.64	[●]
March 7, 2017	Allotment pursuant conversion to warrants	12,700,000	Cash	2	19.75	2.87	[●]
April 10, 2017	Allotment pursuant conversion to warrants	15,300,000	Cash	2	19.75	3.46	[●]
Total		**39,701,671**				**8.97**	[●]

(b) The details of the shareholding of our Promoters and the members of the Promoter Group as on the date of filing of this Draft Letter of Offer

The details of the shareholding of our Promoters and the members of the Promoter Group as on September 27, 2017 including details of pledge and/or encumbrance on such Equity Shares are as follows:

Name of the shareholder	Total Equity Shares	Percentage (%) of pre-Offer capital	Equity Shares pledged or otherwise encumbered			Number of Equity Shares locked-in	Date upto which Lock-in is effective
			Number	% of total shares held	As a % of total paid up capital		
Promoters and Promoter Group							
Sameer Gehlaut	40,158,292	9.08	-	-	-	59,87,203	May 26, 2018
Orthia Properties Private Limited	39,981,305	9.04	-	-	-	9,22,343	May 26, 2018
Zelkova Builders Private Limited	32,907,534	7.44	-	-	-	1,16,09,832	May 5, 2018
						66,07,534	August 24, 2018
						1,19,50,000	April 6, 2020
						27,40,168	May 5, 2020
Orthia Constructions Private Limited	39,701,671	8.97	-	-	-	1,17,01,671	August 24, 2018
						1,53,00,000	May 5, 2018
						1,27,00,000	April 6, 2020
Inuus Properties Private Limited*(1)	Nil	Nil	-	-	-	-	-
Inuus Developers Private Limited**(2)	Nil	Nil	-	-	-	-	-
Total Holding of Promoters and Promoter Group	**152,748,802**	34.53	-	-	-	-	-

(1) Pursuant to shareholders resolution dated April 25, 2017, 17,000,000 warrants convertible into equivalent number of Equity Shares, at an exercise price of ₹43.75 per Equity Share, were allotted to Inuus Properties Private Limited on April 28 2017. The Equity Shares to be issued pursuant to the conversion of warrants shall be locked-in for a period of three years from the date of allotment of the warrants.

(2) Pursuant to shareholders resolution dated April 25, 2017, 16,800,000 warrants convertible into equivalent number of Equity Shares, at an exercise price of ₹43.75 per Equity Share, were allotted to Inuus Developers Private Limited on April 28, 2017. The Equity Shares to be issued pursuant to the conversion of warrants shall be locked-in for a period of three years from the date of issuance of the warrants.

5. SHAREHOLDING PATTERN OF OUR COMPANY

The table below presents the shareholding pattern of our Company as on September 27, 2017:

Category of Shareholder	No. of Shareholders	No. of fully paid-up equity shares held	No. of shares underlying Depository Receipts	Total No. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Equity Shares underlying outstanding convertible securities (including warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) as a % of (A+B+C2)	No. of locked -in shares		No. of equity shares held in dematerialized form
								No. (a)	As a % of total Shares held (b)	
(A) Promoters & Promoter Group	4	152,748,802		152,748,802	34.53	33,800,000	36.93	79,518,751	52.06	152,748,802
(B) Public	83,946	289,581,723		289,581,723	65.47	29,039,566	63.07	95,024,582	32.81	289,554,152
(C) Non Promoter-Non Public	1	-	60,477	60,477	0.00	-	0.00	-	0.00	60.477
(C1) Shares underlying depository receipts	-	-	-	-	0.00	-	0.00	-	0.00	-
(C2) Shares held by employee trusts	1	-	60,477	60,477	0.00	-	0.00	-	0.00	60.477
Total	**83,951**	**442,330,525**	**60,477**	**442,391,002**	**100.00**	**62,839,566**	**100.00**	**174,543,333**	**39.45**	**442,363,431**

Note: C=C1+C2
Grand Total = A+B+C

Other than the number of locked-in Equity Shares held by the Promoters as mentioned in the table above, none of the Equity Shares held by the Promoters and members of the Promoter Group are locked-in.

6. LIST OF TOP 10 SHAREHOLDERS OF THE COMPANY

The list of top 10 Shareholders of our Company and the number of Equity Shares held by them as on September 27, 2017 (i.e. a day prior to the date of the DLOF), 10 days before the date of filing of this Draft Letter of Offer, and two years prior to the date of filing of this Draft Letter of Offer are set forth below:

(a) The top 10 Shareholders as on September 27, 2017 are as follows:

Sr. No.	Name of the shareholder*	No. of Equity Shares	Percentage of the pre-Offer capital (%)
1.	Tamarind Capital Pte. Limited	47,390,000	10.71
2.	Sameer Gehlaut	40,158,292	9.08

Sr. No.	Name of the shareholder*	No. of Equity Shares	Percentage of the pre-Offer capital (%)
3.	Orthia Properties Private Limited	39,981,305	9.04
4.	Orthia Constructions Private Limited	39,701,671	8.97
5.	Cinnamon Capital Limited	38,865,582	8.79
6.	Zelkova Builders Private Limited	32,907,534	7.44
7.	Tupelo Consultancy LLP	25,115,371	5.68
8.	Divyesh Shah	10,569,000	2.39
9.	Brijkishor Trading Private Limited	8,300,000	1.88
10.	The Nomura Trust and Banking Company, Limited as the Trust	6,882,072	1.56
TOTAL		**289,870,827**	**65.52**

**The top ten shareholders of our Company as on date of this Draft Letter of Offer are not entitled to any Equity Shares pursuant to exercise of warrant, option or right to convert debenture, loan or other instrument.*

(b) The top 10 Shareholders 10 days prior to the date of filing of this Draft Letter of Offer are as follows:

Sr. No.	Name of the shareholder	No. of Equity Shares	Percentage of the pre-Offer capital (%)
1.	Tamarind Capital Pte. Limited	47,390,000	10.71
2.	Sameer Gehlaut	40,158,292	9.08
3.	Orthia Properties Private Limited	39,981,305	9.04
4.	Orthia Constructions Private Limited	39,701,671	8.97
5.	Cinnamon Capital Limited	38,865,582	8.79
6.	Zelkova Builders Private Limited	32,907,534	7.44
7.	Tupelo Consultancy LLP	25,115,371	5.68
8.	Divyesh Shah	10,569,000	2.39
9.	Brijkishor Trading Private Limited	8,300,000	1.88
10.	The Nomura Trust and Banking Company, Limited as the Trust	6,882,072	1.56
TOTAL		**289,870,827**	**65.52**

(c) The top 10 Shareholders two years prior to the date of filing of this Draft Letter of Offer are as follows:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer capital (%)
1.	Sameer Gehlaut	40,158,292	13.72

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer capital (%)
2.	Orthia Properties Private Limited	39,981,305	13.66
3.	Rajiv Rattan	19,208,148	6.56
4.	Saurabh K. Mittal	18,817,793	6.43
5.	Orthia Constructions Private Limited	11,701,671	4.00
6.	Inuus Constructions Private Limited	11,670,463	3.99
7.	Mahima Stocks Private Limited	8,977,522	3.07
8.	Hespera Constructions Private Limited	7,585,219	2.59
9.	Zelkova Builders Private Limited	6,607,534	2.26
10.	Divyesh Shah	4,769,000	1.63
TOTAL		**169,476,947**	**57.91**

7. DETAILS OF EQUITY SHARES HELD BY THE DIRECTORS AND KEY MANAGEMENT PERSONNEL OF OUR COMPANY

(a) Set out below are details of the Equity Shares held by our Directors in our Company as on September 27, 2017:

Sr. No.	Name	Number of Equity Shares	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
1.	Sameer Gehlaut	40,158,292	9.08	[●]
2.	Divyesh Shah	10,569,000	2.39	[●]
3.	Gagan Banga	770,040	0.17	[●]
4.	Pinank Jayant Shah	Nil	-	[●]
5.	Labh Singh Sitara	Nil	-	[●]
6.	Vijayalakshmi Rajaram Iyer	Nil	-	[●]
7.	Shyam Lal Bansal	Nil	-	[●]
8.	Alok Kumar Misra	1,000	-	[●]

(b) Set out below are details of the Equity Shares held by our Key Management Personnel (other than Directors) in our Company as on September 27, 2017:

Sr. No.	Name	Number of Equity Shares	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
1.	Rajeev Lochan Agarwal	24,500	-	[●]
2.	Lalit Sharma	7,000	-	[●]

8. EMPLOYEE STOCK OPTION SCHEMES OF OUR COMPANY

(a) Indiabulls Ventures Limited Employees Stock Option Scheme, 2008 (the "**ESOP 2008**")

Our Company, pursuant to resolution passed by the Board and Shareholders, on December 17, 2008 and January 19, 2009, respectively, has adopted ESOP 2008. Subsequently, the ESOP 2008 was formulated by the Compensation Committee, and approved by it in its meeting held on January 24, 2009. Pursuant to ESOP 2008, employee stock options to acquire Equity Shares is granted to eligible employees who are in permanent employment of our Company including Directors (except promoter Directors and any Director holding, directly or indirectly, more than 10% of the outstanding Equity Shares), and employees and directors of the Subsidiaries (except promoter directors and any director holding, directly or indirectly, more than 10% of the outstanding Equity Shares). ESOP 2008 is in compliance with the SEBI ESOP Regulations and the Companies Act, 2013 as per the certificate dated September 28, 2017 provided by the Statutory Auditors.

The purpose of the ESOP 2008 is to reward and motivate employees and to attract and retain the best talent by providing them with an additional incentive in the form of stock options to acquire a certain number of Equity Shares at the exercise price of the options allotted under ESOP 2008 at a future date.

The Company had granted 30,200,000 (including options lapsed and regranted) stock options under ESOP 2008, which represents 6.83% of the pre-Issue paid-up Equity Share capital of our Company.

30,200,000 stock options under ESOP 2008, include the options:

(i) originally granted
(ii) lapsed out of (i), and
(iii) re-granted out of (ii), from time to time

For details of number of Equity Shares allotted pursuant to ESOP 2008 and the relevant price at which such Equity Shares were allotted, please see "– *Share Capital History of our Company*" on page 84.

The number of Equity Shares issued pursuant to exercise of stock options in last three Fiscal Years are as mentioned below:

Fiscal Year	**Number of stock options granted under ESOP 2008**	**Number of Equity Shares issued pursuant to exercise of stock options under ESOP 2008**
2017	9,700,000	2,687,378
2016	-	706,460
2015	-	2,840,571
Total	**9,700,000**	**6,234,409**

The following table sets forth the particulars of the options granted and other details under the ESOP 2008 as of the date of filing of this Draft Letter of Offer:

Particulars	**Details**
Options granted	30,200,000 (including options re-granted)
The pricing formula	The latest available closing price on NSE (on which the shares of the Company are listed and having the highest trading volume), prior to the meeting of the Compensation Committee approving and granting the options.
Exercise price of options	20,000,000 options at ₹17.40 9,700,000 options at ₹24.15 500,000 Options at ₹219.65
Total options vested	12,627,661
Options exercised	7,626,672

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Total number of Equity Shares that would arise as a result of exercise of options</td><td>7,626,672</td></tr>
<tr><td>Options forfeited/lapsed/cancelled/surrendered</td><td>11,078,662</td></tr>
<tr><td>Variation in terms of options</td><td>NIL</td></tr>
<tr><td>Money realised by exercise of options</td><td>₹132,704,092.80</td></tr>
<tr><td>Options in force</td><td>11,494,666</td></tr>
<tr><td>Employee wise details of options granted to</td><td></td></tr>
<tr><td>(i) Key Management Personnel (during the year)</td><td>NIL</td></tr>
<tr><td>(ii) Any other employee who is granted options amounting to 5 % or more of the options granted during that year and are currently in force</td><td>FY 2015 – Nil

FY 2016 – Nil

FY 2017 -

<table><tr><th>Name</th><th>Options</th></tr><tr><td>Mr.Gagan Banga</td><td>3,000,000</td></tr><tr><td>Mr.Sachin Chaudhary</td><td>950,000</td></tr><tr><td>Mr.Ajit Kumar Mittal</td><td>750,000</td></tr><tr><td>Mr.Ashwini Kumar</td><td>750,000</td></tr><tr><td>Mr.Gurbans Singh</td><td>500,000</td></tr><tr><td>Mr.Saket Bahuguna</td><td>500,000</td></tr></table>
FY 2018 till date - Mr. Vijaykumar Kondiba Narayankar- 500,000</td></tr>
<tr><td>(iii) Employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant</td><td>NIL</td></tr>
<tr><td>Diluted EPS pursuant to issue of Equity Shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 ‘Earning Per Share’</td><td>As per note 1(a)</td></tr>
<tr><td>Where the Company has calculated the employee compensation cost using the intrinsic value of the Stock Options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall be disclosed.</td><td>As per note 1(b)</td></tr>
<tr><td>Difference between employee compensation cost using the intrinsic</td><td>As per Note 1(c)</td></tr>
</table>

Particulars	Details
value method and the employee compensation cost that shall have been recognised if our Company has used fair value of options and impact of this difference on profits and EPS of our Company	
Weighted-average exercise prices and weighted-average fair values of options shall be disclosed of options whose exercise price either equals or exceeds or is less than the market price of the stock	(1) 20,000,000 options Weighted average exercise price: ₹17.40 per option Weighted average fair value: ₹0.84 per option (2) 9,700,000 options (re-granted) Weighted average exercise price: ₹24.15 per option Weighted average fair value: ₹4.31 per option (3) 500,000 options (re-granted) Weighted average exercise price: ₹219.65 per option Weighted average fair value: ₹106.31 per option
Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of the option	As per **Note 2**
Vesting Schedule	The options would vest over a period of upto 10 years from the date of grant.
Lock-in	NIL
Impact on profits and EPS of the last three years if our Company had followed accounting policies specified in the SEBI Employee stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended or the SEBI (Share Based Employee Benefits) Regulations, 2013, as amended in respect of options granted in the last three years	As per **Note 1(d)**
Aggregate number of Equity Shares intended to be sold by the holders of Equity Shares allotted on exercise of options to sell their Equity Shares within three months after the listing of Equity Shares by directors, senior managerial personnl and employees amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Not applicable

Note 1

(a)	Diluted EPS pursuant to issue of Equity Shares on exercise of options calculated in accordance	₹1.51 for the year ending March 31, 2017 ₹0.57 for the year ending March 31, 2016 ₹4.23 for the year ending March 31, 2015

	with Accounting Standard (AS) 20 'Earning Per Share'	
(b)	Where the Company has calculated the employee compensation cost using the intrinsic value of the Stock Options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall be disclosed.	**Impact on Profit** Decrease of ₹0.56 million for the year ending March 31, 2017 Decrease of ₹0.84 million for the year ending March 31, 2016 Decrease of ₹0.87 million for the year ending March 31, 2015 **Impact on EPS** Almost negligible or Nil impact on the EPS.
(c)	Difference between employee compensation cost using the intrinsic value method and the employee compensation cost that shall have been recognised if our Company has used fair value of options and impact of this difference on profits and EPS of our Company	Same as above
(d)	Impact on profits and EPS of the last three years if our Company had followed accounting policies specified in the SEBI Employee stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended or the SEBI (Share Based Employee Benefits) Regulations, 2013, as amended in respect of options granted in the last three years	The Company follows the intrinsic value method to account for its stock-based employee compensation plans. Company cost is measured by the excess, if any, of the market price of the shares over the exercise price as determined in accordance with the ESOP Schemes. The market price is the latest closing price on NSE, the stock exchange on which the shares are listed and having highest trading volume prior to the meeting of the Compensation Committee. Compensation cost, if any, is amortised over the vesting period. Since options under the ESOP Schemes were granted at the market price, the intrinsic value of the options is Nil. Consequently, the accounting value of the option (compensation cost) is also Nil.

Note 2: Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of the option:

Sr. No.	Particulars	ESOP 2008		
		20,000,000	9,700,000	5,00,000
		Options	Options Re-granted	Options Re-granted
1.	Exercise price	₹17.40	₹24.15	₹219.65
2.	Expected volatility	79.00%	42.97%	46.70%
3.	Expected forfeiture percentage on each vesting date	Nil	Nil	Nil
4.	Option Life (Weighted Average)	11 years	6 years	6 years
5.	Expected Dividends yield	22.99%	10.82%	1.27%

6.	Risk Free Interest rate	6.50%	7.45%	6.54%
Fair value of the options under the plans using the Black Scholes Merton Option Pricing Model as certified by an independent firm of Chartered Accountants.		₹0.84	₹4.31	₹106.31

TABLE 2

Details regarding options granted to the senior managerial personnel including the Company's Directors and KMPs since the implementation of ESOP 2008 and in respect of the options currently in force:

Name of the Director/KMP	No of Options Granted	Total Number of Options Lapsed	Total Number of Options Outstanding
Mr. Gagan Banga	3,000,000	NIL	3,000,000
Mr. Divyesh B. Shah	3,475,000	625,000	1,350,000
Mr. Pinank Shah	480,000	NIL	480,000
Mr. Rajiv Lochan Agrawal	15,000	NIL	2,250

Note: The details in relation to ESOP 2008 mentioned above has been certified by Sumit Mohit & Co., Chartered Accountants pursuant to their certificate dated September 28, 2017.

(b) Indiabulls Ventures Limited Employees Stock Option Scheme, 2009 ("**ESOP 2009**")

Our Company, pursuant to resolutions passed by the Board and Shareholders, on September 1, 2009 and September 30, 2009, respectively, has adopted ESOP 2009. Subsequently, the ESOP 2009 was formulated by the Compensation Committee, and approved by it in its meeting held on December 1, 2009. Pursuant to ESOP 2009, employee stock options to acquire Equity Shares is granted to eligible employees who are in permanent employment of our Company including Directors (except promoter Directors and any Director holding, directly or indirectly, more than 10% of the outstanding Equity Shares), and employees and directors of the Subsidiaries (except promoter directors and any director holding, directly or indirectly, more than 10% of the outstanding Equity Shares).

The purpose of the ESOP 2009 is to reward and motivate employees and to attract and retain the best talent by providing them with an additional incentive in the form of stock options to acquire a certain number of Equity Shares at the exercise price of the options allotted under ESOP 2009 at a future date. ESOP 2009 is in compliance with the SEBI ESOP Regulations and the Companies Act, 2013 as per the certificate dated September 28, 2017 provided by the Statutory Auditors.

The Company had granted 51,550,000 (including options lapsed and regranted) stock options under ESOP 2009, which represents 11.65% of the pre-Issue paid-up Equity Share capital of our Company.

51,550,000 stock options under ESOP 2008, include the options:

(i) originally granted
(ii) lapsed out of (i), and
(iii) re-granted out of (ii), from time to time

For details of number of Equity Shares allotted pursuant to ESOP 2009 and the relevant price at which such Equity Shares were allotted, please see "– *Share Capital History of our Company*" on page 84.

In accordance with the certificate dated September 28, 2017 of Sumit Mohit & Co., Chartered Accountants, the number of stock options granted under the ESOP Scheme 2009 and the number of Equity Shares issued pursuant to exercise of stock options in last three Fiscal Years are as mentioned below:

Fiscal Year	**Number of stock options granted under ESOP 2009**	**Number of Equity Shares issued pursuant to exercise of stock options under ESOP 2009**
2017	19,500,000	-
2016	10,000,000	-
2015	-	-
Total	**29,500,000**	**-**

The following table sets forth the particulars of the options granted and other details under the ESOP 2009 as of the date of filing of this Draft Letter of Offer:

Particulars	**Details**
Options granted	51,550,000 (including options re-granted)
The pricing formula	The latest available closing price on NSE (on which the shares of the Company are listed and having the highest trading volume), prior to the meeting of the Compensation Committee approving and granting the options.
Exercise price of options	10,000,000 options at ₹35.25 2,050,000 options at ₹ 31.35 10,000,000 options re-granted at ₹27.45 9,500,000 options re-granted at ₹16.00 10,000,000 options re-granted at ₹24.15 10,000,000 options re-granted at ₹219.65
Total options vested	3,335,600
Options exercised	2,058,100
Total number of Equity Shares that would arise as a result of exercise of options	2,058,100
Options forfeited/lapsed/cancelled/Surrender	31,947,000
Variation in terms of options	NIL
Money realised by exercise of options	Rs. 37,534,600
Options in force	17,544,900
Employee wise details of options granted to	
(i) Key Management Personnel (during the year)	Mr. Pinank Shah – 2,000,000 options granted during FY 2017-18
(ii) Any other employee who is granted options amounting to 5 % or more of the options granted during that year	FY 2015 till FY 2017 - Nil FY 2018 till date – Mr. Gagan Banga – 2,334,000 options Mr. Amit Ajit Gandhi – 675,000 options Mr. Sandeep Arora- 1,100,000 options
(iii) Identifies employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding	NIL

Particulars	Details
warrants and conversions) of our Company at the time of grant	
Diluted EPS pursuant to issue of Equity Shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share'	As per **Note 1(a)**
Where the Company has calculated the employee compensation cost using the intrinsic value of the Stock Options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall be disclosed.	As per **Note 1(b)**
Difference between employee compensation cost using the intrinsic value method and the employee compensation cost that shall have been recognised if our Company has used fair value of options and impact of this difference on profits and EPS of our Company	As per **Note 1(c)**
Weighted-average exercise prices and weighted-average fair values of options shall be disclosed of options whose exercise price either equals or exceeds or is less than the market price of the stock	(1) 10,000,000 options Weighted average exercise price: ₹35.25 per option Weighted average fair value: ₹6.48 per option (2) 2,050,000 options Weighted average exercise price: ₹31.35 per option Weighted average fair value: ₹9.39 per option (3) 10,000,000 options (re-granted) Weighted average exercise price: ₹27.45 perc option Weighted average fair value: ₹4.77 per option (4) 9,500,000 options (re-granted) Weighted average exercise price: ₹16 per option Weighted average fair value: ₹1.38 per option (5) 10,000,000 options (re-granted) Weighted average exercise price: ₹24.15 per option Weighted average fair value: ₹4.31 per opti (6) 10,000,000 Options (re-granted) Weighted average exercise price: ₹219.65 per option Weighted average fair value: ₹106.31 per option
Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free	As per **Note 2**

Particulars	Details
interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of the option	
Vesting Schedule	The options would vest over a period of upto 10 years from the date of grant.
Lock-in	NIL
Impact on profits and EPS of the last three years if our Company had followed accounting policies specified in the SEBI Employee stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended or the SEBI (Share Based Employee Benefits) Regulations, 2013, as amended in respect of options granted in the last three years	As per **Note 1(d)**
Aggregate number of Equity Shares intended to be sold by the holders of Equity Shares allotted on exercise of options to sell their Equity Shares within three months after the listing of Equity Shares by directors, senior managerial personnel and employees amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Not applicable

Note 1

(a)	Diluted EPS pursuant to issue of Equity Shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share'	₹1.51 for the year ending March 31, 2017 ₹0.57 for the year ending March 31, 2016 ₹4.23 for the year ending March 31, 2015
(b)	Where the Company has calculated the employee compensation cost using the intrinsic value of the Stock Options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall be disclosed.	**Impact on Profit** Decrease of ₹0.56 million for the year ending March 31, 2017 Decrease of ₹0.84 million for the year ending March 31, 2016 Decrease of ₹0.87 million for the year ending March 31, 2015 **Impact on EPS** Almost negligible or Nil impact on the EPS.

(c)	Difference between employee compensation cost using the intrinsic value method and the employee compensation cost that shall have been recognised if our Company has used fair value of options and impact of this difference on profits and EPS of our Company	Same as above
(d)	Impact on profits and EPS of the last three years if our Company had followed accounting policies specified in the SEBI Employee stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended or the SEBI (Share Based Employee Benefits) Regulations, 2013, as amended in respect of options granted in the last three years	The Company follows the intrinsic value method to account for its stock-based employee compensation plans. Company cost is measured by the excess, if any, of the market price of the shares over the exercise price as determined in accordance with the ESOP Schemes. The market price is the latest closing price on NSE, the stock exchange on which the shares are listed and having highest trading volume prior to the meeting of the Compensation Committee. Compensation cost, if any, is amortised over the vesting period. Since options under the ESOP Schemes were granted at the market price, the intrinsic value of the options is Nil. Consequently, the accounting value of the option (compensation cost) is also Nil.

Note 2

Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of the option:

Sr. No.	**Particulars**	**ESOP 2009**					
		1,00,00,000	**20,50,000**	**1,00,00,000**	**95,00,000**	**1,00,00,000**	**1,00,00,000**
		Options	**Options**	**Options Re-granted and Surrendered**	**Options Re-granted**	**Options Re-granted and Surrendered**	**Options Re-granted**
1.	Exercise price	₹35.25	₹31.35	₹27.45	₹16.00	₹24.15	₹219.65
2.	Expected volatility	77.00%	48.96%	38.59%	40.74%	42.97%	46.70%
3.	Expected forfeiture percentage on each vesting date	NIL	NIL	NIL	NIL	NIL	NIL
4.	Option Life (Weighted Average)	10 years	10 years	7 years	6 years	6 years	6 years
5.	Expected Dividends yield	13.48%	6.86%	9.16%	16.33%	10.82%	1.27%
6.	Risk Free Interest rate	7.50%	8.05%	6.50%	7.45%	7.45%	6.54%
Fair value of the options under the plans using the Black Scholes Merton Option Pricing Model as certified by an independent firm of Chartered Accountants.		₹6.48	₹9.39	₹4.77	₹1.38	₹4.31	₹106.31

TABLE 2

Details regarding options granted to the senior managerial personnel including the Company's Directors and KMPs since the implementation of ESOP 2009 and in respect of the options currently in force:

Name of the Director/KMP	No of Options Granted	Total Number of Options Lapsed	Total Number of Options Outstanding
Mr. Gagan Banga	2,334,000	NIL	2,334,000
Mr. Divyesh B. Shah	500,000	50,000	150,000
Mr. Pinank Shah	2,000,000	NIL	2,000,000
Mr. Rajiv Lochan Agrawal	200,000	100,000	80,00 0
Mr. Lalit Sharma	40,000	NIL	32,000

Note: The details in relation to ESOP 2009 mentioned above has been certified by Sumit Mohit & Co., Chartered Accountants pursuant to their certificate dated September 28, 2017.

9. As on the date of this Draft Letter of Offer, the Lead Manager and its respective associates (as per the Companies Act, 2013) do not hold any Equity Shares in our Company.

10. Except for the allotment of 253,426,989 Equity Shares by our Company pursuant to Scheme of Amalgamation, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or corresponding provisions under the Companies Act, 2013. For details, see "*History and Certain Other Corporate Matters*" on page 160.

11. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.

12. No payment, direct or indirect in the nature of discount, commission and allowance or otherwise shall be made either by us, or our Promoters or members of the Promoter Group to the persons who are Allotted Rights Equity Shares.

13. Other than the Equity Shares issued under the ESOP Schemes, allotment of Equity Shares pursuant to conversion of warrants to Orthia Constructions Private Limited, Zelkova Builders Private Limited and Divyesh Shah and allotment of warrants to Inuus Properties Private Limited and Inuus Developers Private Limited, none of our Promoters, members of the Promoter Group, directors of our Promoters, our Directors, and their relatives (as defined under the Companies Act, 2013) have purchased or sold any equity shares and/or convertible securities of our Company during the period of six months immediately preceding the date of filing of this Draft Letter of Offer with SEBI.

14. As on September 27, 2017, the total number of our Shareholders is 83,951.

15. Other than as disclosed in the above, neither our Company, nor our Directors have entered into any buy-back, safety net and / or standby arrangements for purchase of Equity Shares from any person.

16. The Lead Manager has not entered into any buy-back, safety net and / or standby arrangements for purchase of Equity Shares from any person.

17. The Issue being a rights issue, as per Regulation 34 (c) of the SEBI ICDR Regulations, the requirement of minimum promoters 'contribution and lock-in is not applicable.

18. The ex-rights price of the Equity Shares as per regulation 10(4)(b)(ii) of the Takeover Regulations is ₹**[●]**.

19. All Rights Equity Shares issued pursuant to the Issue shall be partly paid-up at the time of Allotment. As a result, pursuant to the Issue, there will be [●] Equity Shares outstanding as of the date of Allotment that shall be partly paid up. The Eligible Equity Shareholders will be required to pay [●]% of the Issue Price at the time of payment of Application Money, [●]% of the Issue Price shall be paid on or before the date of First Call, [●]% of the Issue Price shall be paid on or before the date of Second Call and [●]% of the Issue Price shall be paid on or before the date of Third and Final Call.

20. All Equity Shares are fully paid up and there are no outstanding partly paid up Equity Shares as on the date of filing of this Draft Letter of Offer.

21. Except Mr. Sameer Gehlaut, none of the directors on the board of our corporate Promoters hold any Equity Shares in our Company.

22. The Board of Directors of our Company pursuant to their meeting dated September 21, 2017, approved issuance of Equity Shares and/ or securities convertible into Equity Shares by way of rights issue and/ or qualified institutions placement to the qualified institutional buyers for an aggregate amount of upto ₹30,000 million. The issuance of Equity Shares and/ or securities convertible into Equity Shares to the qualified institutional buyers will be subject to the approval of the Shareholders at the EGM proposed to be held on October 23, 2017.

23. Other then as mentioned above in item no. 22, no further issue of capital by way of issue of bonus shares, preferential allotment, rights issue or public issue or in any other manner which will affect the equity capital of our Company, shall be made during the period commencing from the filing of the Draft Letter of Offer with SEBI to the date on which the Rights Equity Shares allotted pursuant to the Issue are listed or Application Money is refunded on account of the failure of the Issue. The foregoing restriction shall not apply to any issuance of Equity Shares by our Company in terms of ESOP Schemes as at the date hereof and pursuant to conversion of warrants allotted on preferential basis.

24. Other then as mentioned above in item no. 22, our Company has no intention to alter the equity capital structure by way of split/consolidation of the denomination of the Equity Shares, or issue of specified securities on preferential basis or issue of bonus, rights or public issue of Equity Shares or qualified institutions placement for a period of six months from the issue opening date. The foregoing restriction shall not apply to any issuance of equity shares by our Company in terms of ESOP Schemes as at the date hereof, and pursuant to conversion of warrants allotted on preferential basis.

25. Post demerger pursuant to the Scheme of Amalgamation, 30,637,861 global depository receipts representing 30,637,861 Equity Shares of the Company were listed on the Luxembourg Stock Exchange. 60,477 GDRs are outstanding as on September 27, 2017. The GDRs of our Company may be surrendered to the depositary by the GDR holders. Upon such surrender, the Equity Shares underlying the GDRs would be transferred by the custodians of such Equity Shares (holding it on behalf of the depositary) to the GDR holders surrendering the GDRs. If the GDRs are surrendered prior to the Record Date for allotment of Rights Equity Shares, the GDR holders to whom the underlying Equity Shares will be transferred pursuant to surrender of such GDRs will be entitled to the Rights Equity Shares in proportion to the Equity Shares held by them on the Record Date, subject to the applicable laws and restrictions included in this Draft Letter of Offer.

26. Except as disclosed in "*Outstanding Litigations and Material Developments*" on page 371, we confirm that the relevant provisions of the SEBI ICDR Regulations were complied with in relation to the preferential allotment of Equity Shares to Cinnamon Capital Limited and Tamarind Capital Pte. Limited, preferential allotment of equity shares pursuant to conversion of warrants to Sameer Gehlaut, Orthia Constructions Private Limited, Orthia Properties Private Limited, Inuus Constructions Private Limited, Saurabh Kumar Mittal, Rajiv Rattan, Hesper Constructions Private Limited, Zelkova Builders Private Limited and Divyesh Shah and issuance of convertible warrants on preferential basis to Inuus Properties Private Limited and Inuus Developers Private Limited.

27. The Promoters and the members of the Promoter Group of our Company have confirmed that they intend to subscribe to the full extent of their Rights Entitlement in the Issue and have confirmed that the subscription and consequent Allotment shall be in such a manner that the aggregate shareholding of the Promoter and the members of the promoter group shall not exceed 75% of the post Issue capital of our Company. In addition to subscription to their Rights Entitlements, the Promoters and members of the

Promoter Group have further confirmed that they intend to subscribe to additional Rights Equity Shares for any unsubscribed portion in the Issue, subject to aggregate shareholding of the Promoters and Promoter Group not exceeding 75% of the post Issue capital of our Company.

28. Our Company has not revalued its fixed assets and there were no issuances of Equity Shares or preference shares from the revaluation reserves.

29. Except for options granted pursuant to the ESOP Schemes, warrants issued to Inuus Properties Private Limited and Inuus Developers Private Limited on preferential basis, and GDRs issued by our Company, there are no outstanding convertible securities or any other right, which would entitle any person any option to receive Equity Shares, as on the date of this Draft Letter of Offer.

30. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

31. No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an application for allotment of Rights Equity Shares in the Issue

OBJECTS OF THE ISSUE

We intend to utilise the Net Proceeds towards funding the following objects:

1. Investment in IVL Finance Limited (“**IVLFL**”), a wholly owned subsidiary of our Company, to meet its business requirements.

2. Investment in our Subsidiary, Indiabulls Asset Reconstruction Company Limited (“**IARCL**”), to support the future growth of its business.

3. General corporate purposes.

The main objects of our Memorandum of Association and the objects incidental or ancillary to the main objects enable our Company to undertake its existing activities. The purpose for which the funds are being raised through the Issue fall within the main objects of our Memorandum of Association.

Proceeds of the Issue

The details of the Issue Proceeds are as follows:

Sr. No.	Description	Estimated Amount (₹ in millions)
1	Gross Proceeds of the Issue	20,000
2	Issue Expenses*	[●]
3	Net Proceeds of the Issue*	[●]

**To be finalised upon determination of the Issue Price*

Means of Finance

Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from the Net Proceeds. Accordingly, the Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

Utilisation of Net Proceeds

The details of utilization of the Net Proceeds will be in accordance with the table set forth below:

Sr. No.	Particulars	Estimated amount to be utilized (₹ in million)
1.	Investment in IVLFL by subscribing to equity shares of IVLFL	14,000
2.	Investment in IARCL by subscribing to equity shares of IARCL	1,000
3.	General Corporate Purposes	[●]
Total		[●]

Schedule of Deployment

The size of the Issue pursuant to issuance of Rights Equity Shares will exceed ₹1,000 million and our Company has appointed [●] as monitoring agency in terms of Regulation 16 of the SEBI ICDR Regulations. Accordingly, our Company is not required to make Calls for payment of Call Money within 12 months from the date of Allotment of Rights Equity Shares. Our Company will make Calls as and when Board approves such Calls and as will be disclosed in the Letter of Offer and in accordance with its business plan and the business plans and capital requirements of IVLFL and IARCL, respectively. Our Company proposes to deploy the Net Proceeds within 15 Working Days from the date of receipt of Call Money pursuant to First Call, Second Call and Third and Final Call, respectively. Provided; however, please note that we intend to deploy the entire Net Proceeds by Fiscal Year 2020.

The fund requirements mentioned above are based on our current business plan and estimates. In case of a shortfall of Net Proceeds, our management may explore alternate means for shortfall, including utilization of internal accruals or further debt financing, subject to applicable laws. In view of the dynamic and competitive business environment in which our Company and our Subsidiaries operate, we may have to revise our capital infusion plans. This may include rescheduling of our investments or increasing or decreasing the capital allocation out of the Net Proceeds to our Subsidiaries, in line with the requirements of the business and at the discretion of our management, in accordance with applicable laws.

Details of the Objects of the Issue:

The details in relation to the objects of the Issue are set forth herein below.

1. Investment in our Subsidiaries, IVLFL and IARCL

We propose to utilize the Net Proceeds in the following manner:

(₹in million)

Sr. No.	**Expenditure Items**	**Total**
1.	Subscription to equity shares of IVLFL	14,000
2.	Subscription to equity shares of IARCL	1,000

A) Investments in IVLFL

IVLFL, a wholly owned subsidiary of our Company, is a non-banking financial company registered with RBI. IVLFL was originally granted a certificate of registration on May 30, 1998 under the name of 'Malpani Securities Private Limited' to carry on the business of non-banking financial institution without accepting public deposits ("**NBFC-ND**"). For details in relation to change of name and certificate of registration granted by RBI to IVLFL, please see "*History and Certain Corporate Matters*" on page 160.

IVLFL is engaged in the consumer lending business which includes advancing of unsecured personal and business loans. For further details in relation to the business of IVLFL, please see "*Our Business*" and "*Our History and Other Corporate Matters*" on page 139 and160, respectively.

The RBI guidelines, particularly, the Non-Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, as amended ("**NBFC-ND RBI Directions**"), contain detailed directions on prudential norms for an NBFC-ND. Under the NBFC-ND RBI Directions and other rules and regulations of RBI in relation to NBFC-NDs, all NBFC-NDs are required to maintain a certain amount of regulatory capital in place in order to undertake its lending business. IVLFL is subject to capital adequacy requirements set out by the RBI, which currently require IVLFL to maintain a capital adequacy ratio consisting of Tier I and Tier II capital of not less than 15% of its aggregate risk weighted assets on balance sheet and of risk adjusted value of off balance sheet items The following table sets out IVLFL's capital adequacy ratios (on a standalone basis) as of the dates indicated based on the audited financial statements for the respective years/ periods:

	As of March 31, 2017	**As of June 30, 2017**
	(₹ million, except ratios and percentages)	
Tier I Capital	1,833.24	10,180.23
Tier II Capital	22.96	32.17
Total Capital	1,856.21	10,212.40

	As of March 31, 2017	As of June 30, 2017
	(₹ million, except ratios and percentages)	
Total Risk Weighted Assets	2,061.61	9,212.92
Capital Adequacy Ratio		
Tier I Capital (as a Percentage of Total Risk Weighted Assets (%))	88.92%	110.50%
Tier II Capital (as a Percentage of Total Risk Weighted Assets (%))	1.11%	0.35%
Total Capital (as a Percentage of Total Risk Weighted Assets (%))	90.04%	110.85%

IVLFL is seeking funds in order to expand its consumer lending business, through the acquisition of new customers, providing a convenient banking experience to customers and offering differentiated solutions to meet the specific needs of particular customer demographics, and to consequently meet its capital adequacy requirements under the NBFC-ND RBI Directions. For details in relation to the expansion plans of IVLFL, please see "*Our Business – Our Strategies*" on page 140.

Our Company has identified consumer lending business as a key area for expanding its financing business. Our Company believes that with an increased retail base, we will be able to generate significant opportunities for cross-selling of our other financial products as well. As we seek to grow and expand our consumer lending business through IVLFL, our equity investment into IVLFL from the Net Proceeds shall enable us to expand the consumer lending business and ensure compliance with the capital adequacy requirements by IVLFL under the NBFC-ND RBI Directions. Therefore, we propose to infuse ₹1,400 million in IVLFL from the Net Proceeds. In this regard, the board of directors of IVLFL have pursuant to their meeting held on September 14, 2017 proposed issuance of equity shares of face value of ₹10 each of IVLFL to our Company, subject to the approval of the shareholders of IVLFL.

B) Investments in IARCL

IARCL, a wholly owned subsidiary of our Company, an asset reconstruction company has been granted a certificate of registration by RBI on May 19, 2017 to commence the business of securitization or asset reconstruction under section 3 of the SARFAESI Act.

IARCL is engaged in the business of asset reconstruction in all forms, in India or abroad and holding, acquiring, managing, assigning or disposing of loan assets with or without underlying securities. For further details in relation to the business of IARCL, please see "*Our Business*" and "*Our History and Other Corporate Matters*" on page 139 and 160, respectively.

The RBI has issued the Securitisation Companies and Reconstruction Companies (Reserve Bank) Guidelines and Directions, 2003, amended by the master circular no. DNBR.(PD).CC.No.03/SCRC/26.03.001/2015-16 dated July 1, 2015 ("**RBI Securitisation Directions**"), containing detailed guidelines and directions relating to registration, measures of asset reconstruction, functions of the company, prudential norms, acquisition of financial assets and matters related thereto.

IARCL is seeking funds to grow its business of purchasing and restructuring of non-performing assets of banking companies. For details in relation to expansion plans of IARCL, please see "*Our Business – Our Strategies*" on page 140.

We intend to expand our presence in the financial services sector with the asset reconstruction business, by leveraging the "Indiabulls" brand to negotiate transactions on purchasing NPAs and stressed assets. Given the rise in NPA volumes in the banking sector and the corresponding pressure on the banking industry to maintain adequate capital and clean balance sheets, we intend to actively engage in this business through IARCL. We anticipate that our longstanding presence in the real estate sector, and financial services industry in general, will provide the necessary thrust to our ARC business as well. Therefore, we propose to infuse ₹100 million in IARCL from the Net Proceeds. In this regard, the board of directors of IARCL have pursuant to their meeting held on September 20, 2017 proposed issuance of equity shares of face value of ₹10each of IARCL to our Company, subject to the approval of the shareholders of IARCL.

Further, there will be no assured returns such as guaranteed dividends from the investments made by our Company pursuant to subscription to the equity shares of IVLFL and IARCL, respectively.

2. General Corporate Purposes

Our Board, will have flexibility in applying the balance amount of the Net Proceeds towards general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, including, strengthening marketing capabilities and brand building exercises, meeting our working capital requirements, funding our growth opportunities, including strategic initiatives, partnerships, joint ventures, and meeting of exigencies which our Company may face in course of business or any other purpose as may be approved by the Board.

The quantum of utilization of funds towards each of the above purposes will be determined by the Board of Directors based on the amount actually available under the head "General Corporate Purposes" and the business requirements of the Company, from time to time.

3. Issue Expenses

The estimated Issue related Expenses are as follows:

Sr. No.	Activity Expense	Amount (in ₹millions)*	Percentage of Total Estimated Issue Expenditure*	Percentage of Issue Size*
1.	Fees payable to intermediaries including Lead Manager, Bankers to the Issue, Legal Advisors, Registrar to the Issue and out of pocket expenses	[●]	[●]	[●]
2.	Expenses relating to advertising, printing, distribution, marketing and stationery expenses	[●]	[●]	[●]
3.	Regulatory fees, filing fees, listing fees, depository fees, auditor fees and miscellaneous expenses	[●]	[●]	[●]
	Total	[●]	[●]	[●]

** To be determined on finalization of the Issue Price and updated in the Letter of Offer.*

Bridge Financing

As at the date of this Draft Letter of Offer, our Company has not raised any bridge loans from any bank or financial institution, which are proposed to be repaid from the Net Proceeds.

Interim Use of Funds:

Our Company, in accordance with the policies formulated by our Board of Directors from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934 as may be approved by our Board.

Monitoring Utilization of Funds from Issue

Our Company shall appoint a Monitoring Agency for the Issue prior to the filing of the Letter of Offer. Our

Board and the Monitoring Agency will monitor the utilization of Net Proceeds and submit its report to our Company in terms of Regulation 16(2) of the SEBI ICDR Regulations.

Our Company will disclose the utilization of the Net Proceeds under a separate head along with details in our balance sheet(s) along with relevant details for all the amounts that have not been utilised and will indicate instances, if any, of unutilised Net Proceeds in our balance sheet for the relevant Financial Years post receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Additionally, the Audit Committee shall review the report submitted by the Monitoring Agency and make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in the Letter of Offer and place it before the Audit Committee. Such disclosure shall be made only till such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Company. Furthermore, in accordance with Regulation 32 of the Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including deviations, if any, in the utilization of the Net Proceeds from the objects of the Issue as stated above. The information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Other Confirmations:

Except as mentioned above in relation to the utilization of the Net Proceeds for investments in IVLFL and IARCL, no part of the Issue Proceeds is intended to be paid by our Company as consideration to any of our Promoters, Directors, Key Management Personnel or Group Companies.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the Lead Manager on the basis of an assessment of market demand for the issued Equity Shares and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares of our Company is ₹2 each and the Issue Price is ₹[●]. Investors should also refer to "*Our Business*", "*Risk Factors*" and "*Financial Statements*" on pages 139, 19 and 216 respectively, to have an informed view before making an investment decision. The Issue Price is [●] times of the Face Value of the Equity Shares.

Qualitative Factors

Some of the qualitative factors which form the basis for the Issue Price are:

1. Established brand in the financial services industry;
2. Scalable technology enabled trading platform; and
3. Seasoned management team.

For a detailed discussion on the qualitative factors, which form the basis for computing the Issue Price, see "*Our Business*", *"Financial Statements"* and "*Risk Factors*" on pages 139, 216 and 19 respectively.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Statements for Fiscals 2017, 2016 and 2015 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. For details, see "*Financial Statements*" on page 216.

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

(a) Basic and Diluted Earnings Per Equity Share ("EPS"):

As per our Restated Consolidated Financial Statements:

Financial Year ended	Basic	Diluted	Weight
March 31, 2015	5.69	5.27	1
March 31, 2016	2.52	2.50	2
March 31, 2017	4.22	3.99	3
Weighted Average	**3.90**	**3.71**	

As per our Restated Standalone Financial Statements:

Financial Year ended	Basic	Diluted	Weight
March 31, 2015	4.45	4.12	1
March 31, 2016	0.58	0.58	2
March 31, 2017	1.63	1.54	3
Weighted Average*	**1.75**	**1.65**	

Notes:

1) EPS calculation is in accordance with Accounting Standard 20 "Earnings per share" issued by ICAI

$$\text{Basic Earnings per share (₹)} = \frac{\text{Net profit attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$$

$$\text{Diluted Earnings per share (₹)} = \frac{\text{Net profit attributable to equity shareholders}}{\text{Weighted average number of diluted equity shares outstanding during the year}}$$

(b) Price / Earning ("P / E") ratio in relation to Price of ₹[●] per Equity Share:

Particulars	P / E at the lower end of the Price Band (no. of times)	P / E at the higher end of the Price Band (no. of times)
Based on basic EPS as per the Restated Standalone Financial Statements for the financial year ended March 31, 2017	[●]	[●]
Based on basic EPS as per the Restated Consolidated Financial Statements for the financial year ended March 31, 2017	[●]	[●]
Based on diluted EPS as per the Restated Standalone Financial Statements for the financial year ended March 31, 2017	[●]	[●]
Based on diluted EPS as per the Restated Consolidated Financial Statements for the financial year ended March 31, 2017	[●]	[●]

(c) Industry Peer Group P / E ratio

Particulars	P/E ratio
Highest	48.90
Lowest	22.99
Industry Composite	34.52

Source: For Industry P/E ratio, P/E figures for the peers are computed based on closing market price as on September 27, 2017, of such peers, on BSE (available at www.bseindia.com) divided by diluted EPS based on consolidated financials from the filings made by the respective peers for Fiscal 2017 on BSE. Industry Composite is average of P/E figures for the peers.

(d) Return on Net Worth ("RoNW")

As per our Restated Consolidated Financial Statements:

Financial Year ended	RoNW (%)	Weight
March 31, 2015	46.69	1
March 31, 2016	22.44	2
March 31, 2017	26.69	3
Weighted Average	**28.61**	

As per our Restated Standalone Financial Statements:

Financial Year ended	RoNW (%)	Weight
March 31, 2015	47.02	1
March 31, 2016	8.49	2
March 31, 2017	17.94	3
Weighted Average	**19.64**	

Note:
The RONW has been computed by dividing net profit after tax as restated by net worth as restated as at year end.
Net Worth includes Share Capital and Reserve & Surplus

(e) Minimum Return on Increased Net Worth after Issue needed to maintain pre-Issue EPS for the year ended March 31, 2017

Particulars	At the Issue Price
To maintain pre-Issue basic EPS	
As per Restated Standalone Financial Statements	[●]%
As per Restated Consolidated Financial Statements	[●]%
To maintain pre-Issue diluted EPS	
As per Restated Standalone Financial Statements	[●]%
As per Restated Consolidated Financial Statements	[●]%

(f) Net Asset Value ("NAV") per Equity Share

Financial year ended	Restated Standalone Financial Statements (₹)	Restated Consolidated Financial Statements (₹)
As on March 31, 2015	9.37	12.06
As on March 31, 2016	6.86	11.19
As on March 31, 2017	8.38	14.57
After the Issue	[●]	[●]

Note: Net Asset Value per Equity Share represents net worth, as restated, divided by the number of Equity Shares outstanding at the end of the period.

(g) Comparison with Listed Industry Peers

Our primary business verticals include our brokerage services business and other advisory services, and our lending business. We are also in the process of commencing operations of our asset reconstruction business through our wholly-owned subsidiary Indiabulls Asset Reconstruction Company Limited. While we believe that there are companies which have similar business verticals as us, however they are much diversified than us in nature:

Name of the company	Face value (₹ per share)	For the year ended March 31, 2017					
		Revenue from operations (in ₹ million)	EPS (₹)		NAV (₹ per share)	P/E	RoNW (%)
			Basic	Diluted			
Indiabulls Ventures Limited	2	4997.22	4.22	3.99	14.57	59.10	26.69%

Motilal Oswal Financial Services Limited	2	18,087.08	25.14	24.79	123.64	48.90	20.15%
Edelweiss Financial Services Limited	1	66,188.42	7.26	6.92	51.95	38.03	14.09%
IIFL Holdings Limited	2	49,248.83	21.64	21.52	137.82	28.16	15.66%
JM Financial Limited	1	23,592.60	5.93	5.89	39.75	22.99	14.89%

Source: All financial information for listed industry peers mentioned above is presented on a consolidated basis and is sourced from the annual report of the respective company, for the year ended March 31, 2017. Source for Indiabulls Ventures Limited: Based on the Restated Consolidated Financial Statements for the financial year ended March 31, 2017.

As majority of the objects of the Issue are towards investment in IVLFL which is seeking funds in order to expand its lending business, the peer group of IVLFL is as follows:

Name of the company	Face value (₹ per share)	For the year ended March 31, 2017					
		Revenue from operations (in ₹ million)	EPS (₹) Basic	EPS (₹) Diluted	NAV (₹ per share)	P/E	RoNW (%)
Bajaj Finance Limited	2	99,773.60	34.01	33.67	175.57	53.73	19.13%

Notes:

(a) *Price earnings ratio calculated by dividing the market value of the shares of the companies as on September 27, 2017 (closing price as per BSE), by the diluted EPS of the companies for period ending March 31, 2017.*

(b) *Basic and Diluted EPS as reported in company filings on www.bseindia.com*

(c) *Return on Net Worth is calculated as Net Profit After Tax and Minority Interests for the period divided by Shareholders Funds (share capital plus reserves and surplus).*

(d) *Net Asset Value per share is calculated as Shareholders Funds available to equity shareholders divided by paid-up number of equity shares of the company outstanding as on the balance sheet date.*

The Issue Price of ₹[●] has been determined by our Company, in consultation with the Lead Manager on the basis of assessment of market demand from investors for the Equity Shares and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with "*Risk Factors*", "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 19, 216 and 334, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "*Risk Factors*" or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Ref. No. ASC/2017-18/018

To,
The Board of Directors
Indiabulls Ventures Limited
M 62 and 63, First Floor
Connaught Place
New Delhi - 110001

Dear Sir,

Subject: Statement of possible special tax benefits ("the Statement") available to Indiabulls Ventures limited ("the Company") and its Shareholders prepared in accordance with the requirement in Schedule VIII – Clause (VII) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("the Regulations")

We refer to the proposed Rights issue of the equity shares (hereinafter referred as "Offer") of Indiabulls Ventures Limited ("the Company"). We enclose herewith the statement showing the current position of possible, special tax benefits available to the Company and to its shareholders as per the provisions of the Income-tax Act, 1961, as applicable to the assessment year 2018-19 relevant to the financial year 2017-18 for inclusion in the Draft Letter of Offer ("DLOF"), Letter of Offer ("LOF") and Prospectus (together the "Offer Documents") for the proposed Offer.

As enclosed in the Annexure, there are no special tax benefits available the Company as well as to shareholders of the Company under the relevant provisions of the Income-tax Act, 1961. Hence the ability of the Company or its shareholders to derive these tax benefits is dependent upon their fulfilling such conditions.

The contents stated in the enclosed Annexure are neither exhaustive nor conclusiveand are based on the information and explanations obtained from the Company. This Statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. We are neither suggesting nor are we advising the investors to invest money or not to invest money based on this Statement.

We do not express any opinion or provide any assurance whether:

- The Company or its shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/ would be met;
- The revenue authorities/ courts will concur with the views expressed herein.

We hereby give our consent to include enclosed Statement regarding the tax benefits available to the Company and to its shareholders in the Offer Documents for the proposed Offer which the Company intends to submit to the Securities and Exchange Board of India, Registrar of Companies and stock exchanges provided that the below statement of limitation is included in the Offer Document. Statement of possible special tax benefits to the Company and its shareholders, if any is enclosed as **Annexure – A** to this document.

LIMITATIONS

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the Offer relying on the enclosed Statement. We shall not be liable to any claims, liabilities or expenses relating to the facts mentioned in the enclosed Statement. The enclosed Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares under the Offer. The enclosed statement covers only certain relevant benefits under the direct tax laws and does not cover benefits under any other law.

This letter is solely for the information of the addressee for the purpose described in the preceding paragraphs. We have not commented on the taxation aspect under any law for the time being in force, as applicable, of any country other than India.
Yours faithfully,
For A Sardana & Co.
Chartered Accountants
Firm Registration No. 021890N

Ajay Sardana
Partner
Membership no. 089011
New Delhi, September 28, 2017

ANNEXURE A TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS UNDER THE INCOME TAX ACT, 1961 DATED SEPTEMBER 28, 2017

Statement of Special Tax Benefits:

Direct Taxes

1. Indiabulls Ventures Limited ("IVL" or "the Company") carries on the business of stock and share brokers on the national stock exchange of India Limited ("NSE") and the BSE Limited ("BSE"); depository participants and other ancillary services. There are no special tax benefits available the Company as well as to shareholders of the Company.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

*Unless noted otherwise, the information in this section has been obtained or derived from the "Indian Brokerage Industry" dated September 2017, by ICRA Limited (the "**ICRA Report**") and "NBFC Report" dated October 2016 by CRISIL (the "**CRISIL Report**"), as well as other industry sources and government publications. All information contained in the ICRA Report and CRISIL Report have been obtained by ICRA and CRISIL from sources believed by them to be accurate and reliable. Although reasonable care has been taken by ICRA and CRISIL to ensure that the information in the ICRA Report and CRISIL Report, respectively, are true, such information is provided 'as is' without any warranty of any kind, and ICRA and CRISIL in particular, make no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. All information contained herein must be construed solely as statements of opinion. None of the Company, the Lead Manager and any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. The information in this section must be read in conjunction with "Risk Factors" and "Our Business" on pages 19 and 139, respectively.*

The CRISIL Report contains the following disclaimer:

"*CRISIL Research, a division of CRISIL Limited ("CRISIL") has taken due care and caution in preparing this report ("Report") based on the Information obtained by CRISIL from sources which it considers reliable ("Data"). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Indiabulls Ventures Limited will be responsible for ensuring compliances and consequences of non-complainces for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division / CRISIL Risk and Infrastructure Solutions Ltd ("CRIS"), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL's Ratings Division / CRIS. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval.*"

OVERVIEW OF THE INDIAN ECONOMY

The Indian economy with a gross domestic product ("GDP") at current prices in fiscal 2017 is estimated at ₹ 151,840 billion, showing a growth rate of 11.0 percent over the estimates of GDP for fiscal 2016 of ₹ 136,820 billion (*Source: Press Note on Provisional Estimates of Annual National Income, 2016-2017 and Quarterly Estimates of Gross Domestic Product for the Fourth Quarter of 2016-2017, Central Statistics Officer, Ministry of Statistics and Programme Implementation, Government of India, May 31, 2017*). The Indian economy in fiscal 2017 was marked by moderate expansion and macroeconomic stability, low inflation, and improvement in current account and fiscal deficits due to negative impacts from the global slowdown and the transient impact of demonetisation (*Source: RBI Annual Report 2016 - 2017*). Due to the slowdown in gross capital formation, the GDP growth in fiscal 2017 moderated, however, the Government and private consumption accelerated and held up aggregate demand. (*Source: RBI Annual Report 2016 - 2017*).

The GDP at constant (fiscal 2012) prices in the first quarter of fiscal 2018 is estimated at ₹ 31,100 billion, showing a growth rate of 5.7 percent over the estimates of GDP in the first quarter of fiscal 2017 of ₹ 29,420 billion (*Source: Press Note on Estimates of Gross Domestic Product for the first quarter (April-June) 2017-2018, Central Statistics Office, Ministry of Statistics and Programme Implementation, Government of India, August 31, 2017)*
The outlook for growth in fiscal 2018 has brightened, with the likelihood of another favourable monsoon and the implementation of major policy reforms such as the introduction of the Goods and Services Tax from July 1, 2017, which would help to unlock bottlenecks to growth (*Source: RBI Annual Report 2016 - 2017*). India is one of the fastest growing major economies in the world. The International Monetary Fund has projected India's GDP growth at 7.2% in fiscal 2018 (*Source: Indian Monetary Fund - World Economic Outlook Update, July 2017*).

The Union Budget 2017 announcements and the expectations of accelerated reforms and political stability further reinforced the overall positive business sentiment in India. The Union Budget 2017 reduced fiscal deficit from 3.9% of GDP in fiscal 2015 - 2016 to 3.5% in fiscal 2016 - 2017. Retail inflation measured by year-on-year variation in consumer price index declined by 2.18% in May 2017. (*Source: RBI - Financial Stability Report, June 2017*).

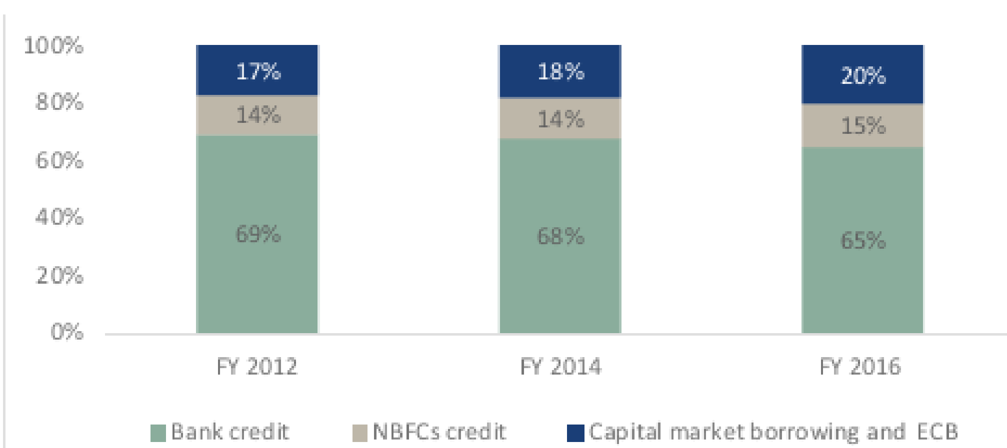
NON-BANKING FINANCIAL COMPANIES

Overview

Financing requirements in India have risen in accord with the Indian economy's notable growth over the past decade. Non-banking financial companies ("NBFCs") have played a major role in meeting this need, complementing banks and other financial institutions. NBFCs help fill gaps in the availability of financial services with respect to products as well as customer and geographic segments. A strong linkage at the grassroots level makes them a critical cog in the financial machine. They cater to the unbanked masses in rural and semi-urban reaches and lend to the informal sector and people without credit histories, thereby enabling the government and regulators to realise the mission of financial inclusion. (*Source: CRISIL Report*)

Going forward, NBFCs will have to intensify focus on their core strengths, diversify their portfolio, and create a niche with new offerings to help them grow in the competitive financial market. Given the positive operating conditions, well-capitalised NBFCs, and public sector banks struggling on asset quality front, there is significant scope for NBFCs to not only gain market share but also enter newer areas. (*Source: CRISIL Report*)

NBFCs share in systematic credit is growing steadily

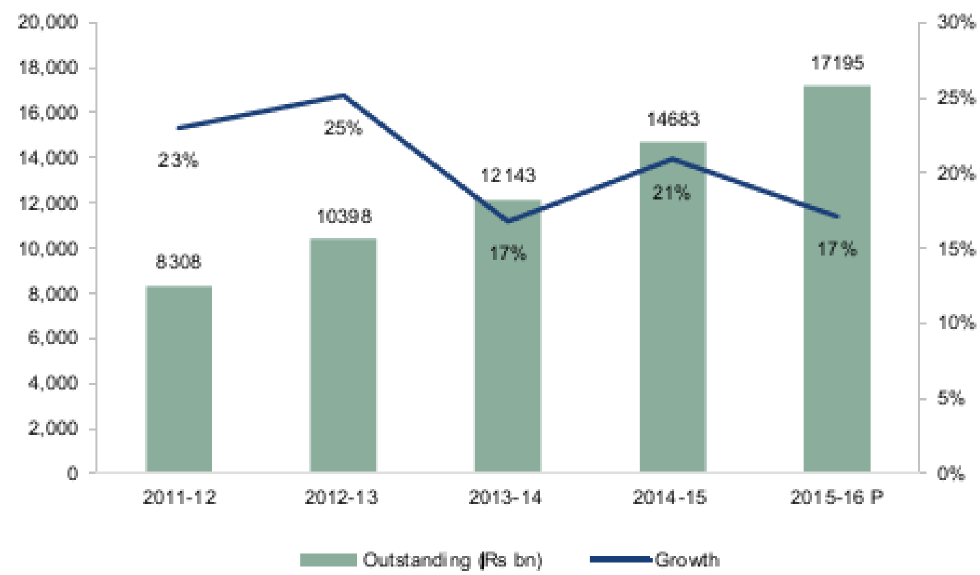


Note:

iii. *Banks' credit includes outstanding of regional rural banks and co-operative banks; and*
iv. *Capital market borrowing and external commercial borrowings includes corporate bond, commercial papers outstanding, however, excludes amounts raised by banks and NBFC.*
Source: CRISIL Report

The outstanding credit of NBFCs expanded at a CAGR of 20% since fiscal 2012. This growth has not been uniform across segments. While microfinance has recorded the highest CAGR of 49%. Micro, small, and medium enterprises ("MSME") finance and loan against property also grew with a CAGR of over 40% and 33%, respectively. Housing, auto and infra loans grew moderately (CAGR of over 15%), while there was no growth in gold and construction equipment finance between fiscals 2012 and 2016. (*Source: CRISIL Report*)

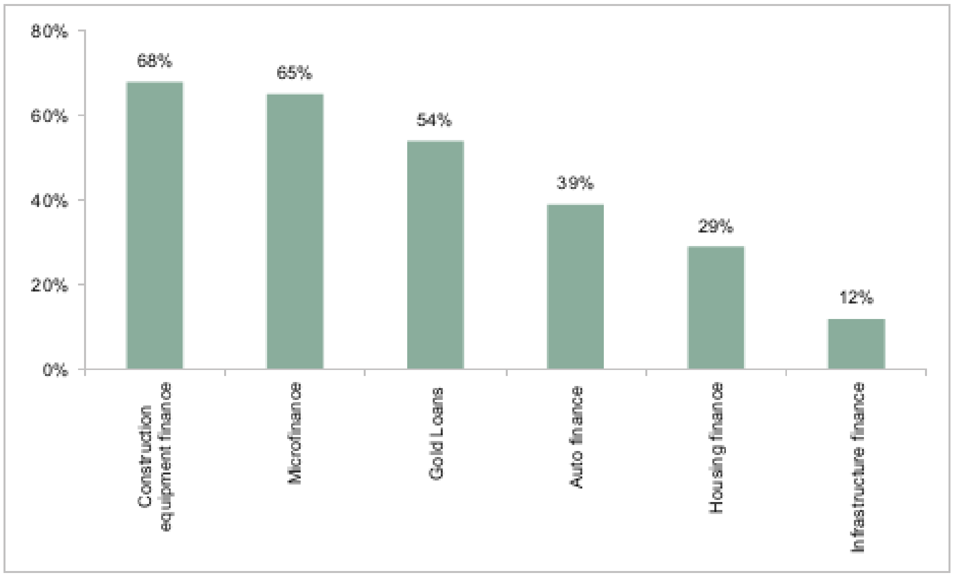
NBFCs outstanding grew at 20% CAGR since fiscal 2012



Source: CRISIL Report

The banking system is one of the major sources of funding for NBFCs, both directly and indirectly (securitisation), accounting for almost a third of the borrowings. But over the years, NBFCs have increased their borrowing from the bond market. Their cost of borrowing has reduced as a result since yields are more than 100 basis points lower than bank lending rates. (*Source: CRISIL Report*)

Segment-wise dependence on bank/financial institutions borrowings as percentage of total borrowings in fiscal 2016



Source: CRISIL Report

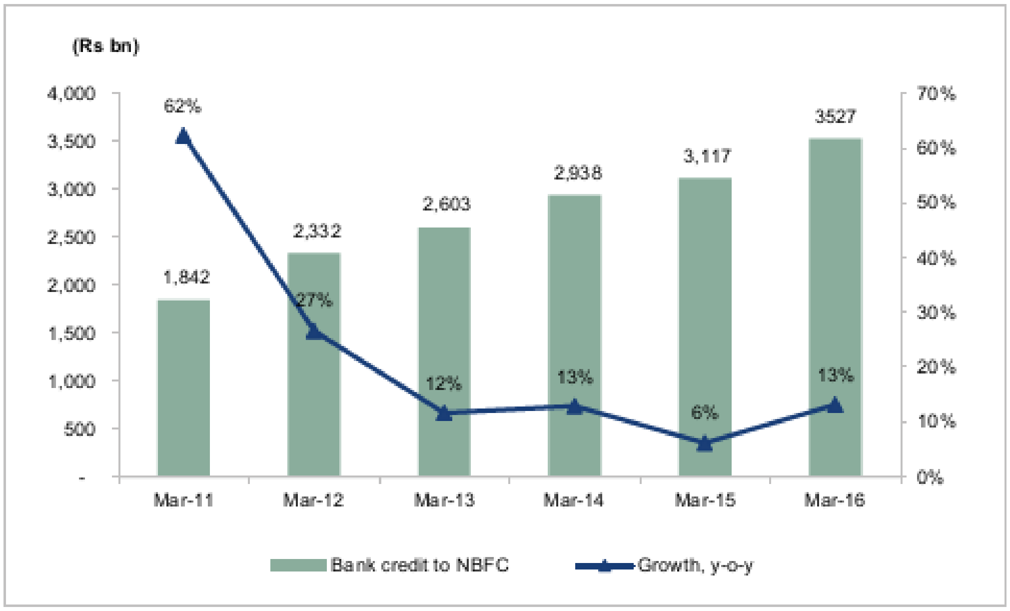
Before May 2011, banks had an incentive to lend to NBFCs since such loans could be classified as 'priority sector' lending in their books. Loans by NBFCs for on-lending to the agriculture sector, housing and small transport operators, among others, were classified as priority sector. Thus, NBFCs tapped bank funds at substantially lower costs than alternative borrowings. (*Source: CRISIL Report*)

In May 2011, the RBI removed the priority sector tag for bank loans to NBFCs, except loans given to companies operating in specific segments such as microfinance and housing finance, subject to conditions. This substantially raised the cost of funds for NBFCs. (*Source: CRISIL Report*)

In addition, portfolio buyouts, securitised receipts of NBFCs for microfinance, housing finance, and commercial vehicle players would be classified as priority sector provided the underlying asset is eligible for classification under priority sector advances and the all-inclusive interest rate charged to the ultimate borrower by the originating entity does not exceed the base rate of the investing bank plus 8% per annum (the interest rate cap is not applicable for securitised assets of MFIs as there is a separate cap on margin and interest rate). However, if underlying loans are extended against gold jewelleries by NBFCs, they are excluded from this priority sector classification benefit. (*Source: CRISIL Report*)

Bank lending to NBFCs has grown at 11% CAGR over the past three years. But if we look closely, the share of loans to NBFCs in the total non-food credit of banks has remained around 5% since 2012. (*Source: CRISIL Report*)

Banks' credit to NBFCs



Source: CRISIL Report

Outlook on NBFCs in India

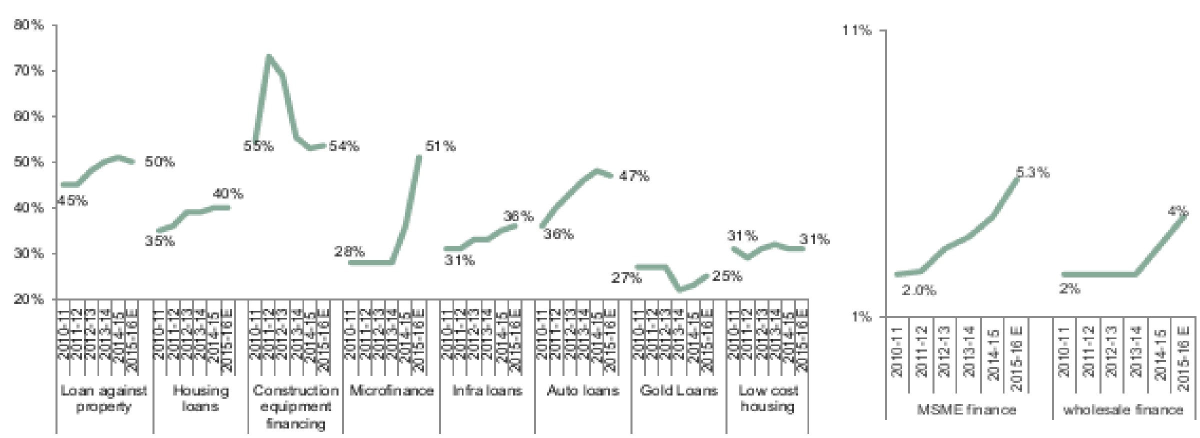
By virtue of access to low-cost funds and an extensive branch network, banks compete with NBFCs, especially on the cost front. However, with their strategic presence in lending segments as well as geographies, NBFCs have carved out a niche for themselves to effectively compete with banks. The niche product focus of NBFCs enables them to make customised offerings. Currently, NBFCs dominate construction equipment finance, while they are slowly gaining market share in housing, loan against property, and microfinance. In emerging segments such as small and medium enterprise finance and wholesale finance, NBFCs have doubled their market share in during fiscals 2011 and 2015,even though it is still at a lower level. (*Source: CRISIL Report*)

Competitive positioning of NBFCs in different segments

NBFC segment	Market share (2015-16 E)	Competitive positioning
Infra finance	36%	Specialised institutions; competitive cost of funds, banks have internal sectoral exposure limits
Housing Finance	40%	Competitive interest rates, better customer service; focusing on higher yielding segments such as loan against property and developer loans
Auto finance	47%	Catering to relatively less credit-worthy customers, strong presence in used vehicles, faster processing, lower documentation, customised offering
Gold loans	25%	Higher LTV, lower turn-around-time, lower documentation, better reach, niche focus enables them offer better customer experience
Loan against property	50%	Strong origination skills, superior customer knowledge, better collection mechanisms, faster loan processing, cash flow based credit appraisal
Construction equipment finance	54%*	Focus on hirer/retail segment, higher LTV offering, wide reach, flexibility in repayment, simple documentation, doorstep collection, lower turnaround time
Microfinance	51%	Extensive reach, lower interest rates as compared to local money-lenders
MSME finance	5%	Lower turn-around-time, cash flow-based credit appraisal, better servicing, simpler documentation
Low cost housing	31%	Strong local knowledge, geographical focus, differentiated credit appraisal methodology
Wholesale finance	4%	Strong origination skills, customised product offering, and focus on real estate funding and structured products

**Based on disbursements*
Source: CRISIL Report

Trends in movement in market share of NBFCs vis-a-vis banks



Note:

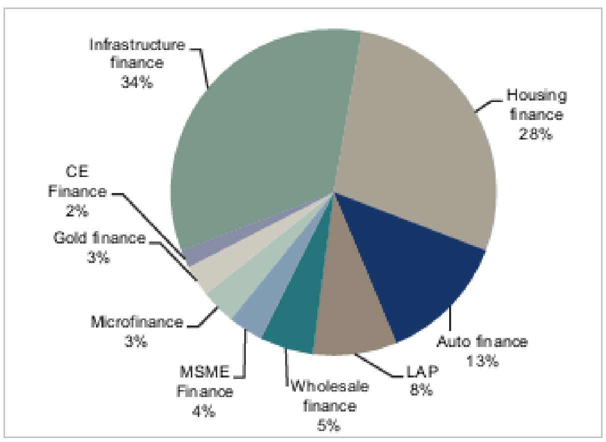
i. CE market share is based on disbursements;
ii. Housing loans include only retail housing loans; low cost housing is a subset of housing finance; and
iii. Gold loan for banks include agri loans backed by gold as collateral.
Source: CRISIL Report

Microfinance is expected to emerge as the best performing segment (in terms of outstanding growth) among NBFCs in the near term. Micro finance institutions ("**MFIs**") are likely to register approximately 40% CAGR over fiscals 2017 and 2018 driven by robust demand and increasing player preference to diversify their geographical presence. However, profitability is likely to decline marginally due to the regulatory cap imposed by the RBI, higher operating expenses on account of expansion plans of MFIs (specially the players with small finance bank ("**SFB**") or SFB license) and lower yields, which will be offset by the reducing cost of funds. Though the high growth in the newly tapped states with untested repayment culture for MFI loans have increased the overall risk, the asset quality for the industry is expected to remain healthy in the near term. (*Source: CRISIL Report*)

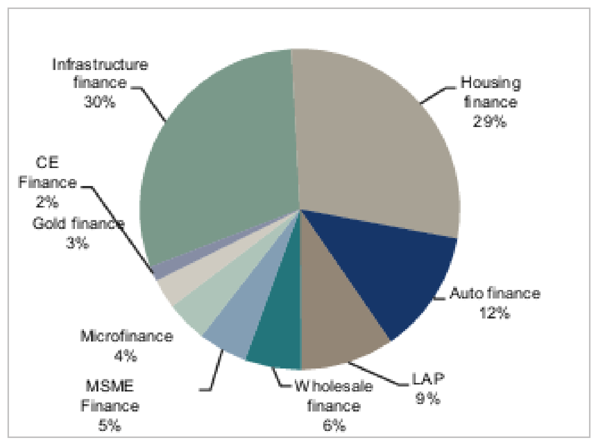
The MSME sector in India continues to have huge unmet demand for credit. NBFCs have strengthened their presence in semi-urban and rural areas, which give them extensive regional presence, understanding of the local markets, and helps customise products to customer needs. This regional presence in untapped territories helps them reach out to unorganised sectors. Over the past four years, NBFCs MSME outstanding grew at a CAGR of 40%. Share of NBFCs in overall MSME credit has increased from 2% in fiscal 2012 to 5.3% in fiscal 2016. The average ticket size for an MSME loan for NBFCs is around ₹ 1.5 million to ₹ 2.0 million with an average tenure of 2 to 4 years. The return on assets of NBFCs in the segment is healthy, supported by higher yields as well as strong appraisal and collection systems, which controls credit cost. (*Source: CRISIL Report*)

It is expected, as shown below, that there will be a shift in the asset class-wise distribution of NBFCs:

Asset class-wise distribution of NBFCs (fiscal 2016)



Asset class-wise distribution of NBFCs (fiscal 2018 (P))



P: Projected
Note: Low-cost housing is a subset of housing finance.
Source: CRISIL Report

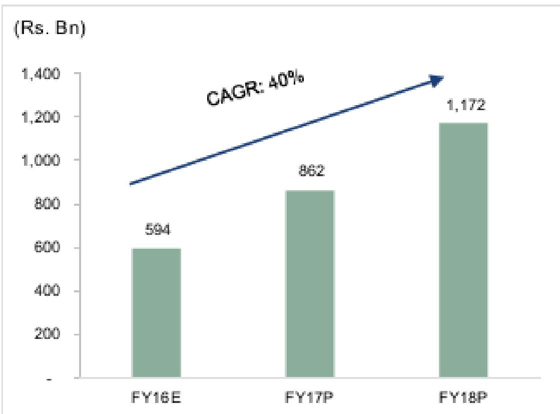
Microfinance Institutions

The gross loan portfolio ("**GLP**") of MFIs has grown at a compound annual growth rate ("**CAGR**") of 49% in the last four fiscals (from fiscal 2012 to fiscal 2016). In fiscals 2015 and 2016, the industry logged 82% and 91% (to ₹ 594 billion) on-year rise in its overall loan portfolio in fiscals 2015 and 2016, respectively. (*Source: CRISIL Report*)

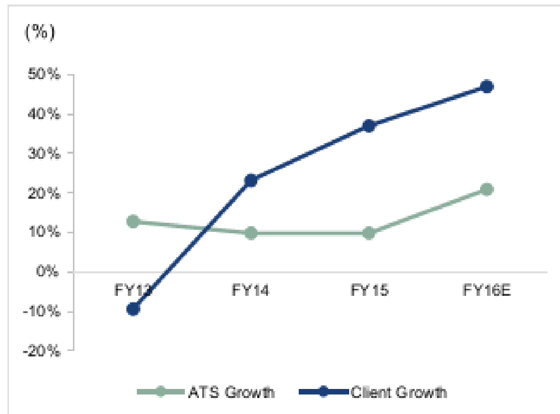
After the MFI crisis in erstwhile united Andhra Pradesh (today Andhra Pradesh and Telangana) a few years ago, the industry's GLP has notably recovered and reached close to ₹ 600,000 million in fiscal 2016, the state government promulgated an ordinance to curb MFIs' activities on allegations of coercive collection policy in October 2010. Number of borrowers grew 22% CAGR in the four-year period. Borrowers' count reached

33.2 million in fiscal 2016, up 47% on year, as some large MFIs focused on the untapped urban and semi-urban market and also recorded huge growth in overall disbursement. Average ticket size grew 13% CAGR between 2012 and 2015, reaching ₹ 17,807 in fiscal 16, up 21% on year driven by strong urban disbursement growth, where the loan amount per account is usually higher than in rural areas. Based on this outperformance, it is expected the industry growth to remain healthy, at around 40% annually, in the fiscal 2017 and fiscal 2018 but lower compared to fiscal 2016, as rural areas in well penetrated states mature and top players converting into SFB shift their focus to selling other banking products. Growth in 2014 and 2015 was also high due to expansion plans of top players. (*Source: CRISIL Report*)

Strong growth to continue in MFI loan portfolio



Growth supported by increase in average ticket size and client penetration



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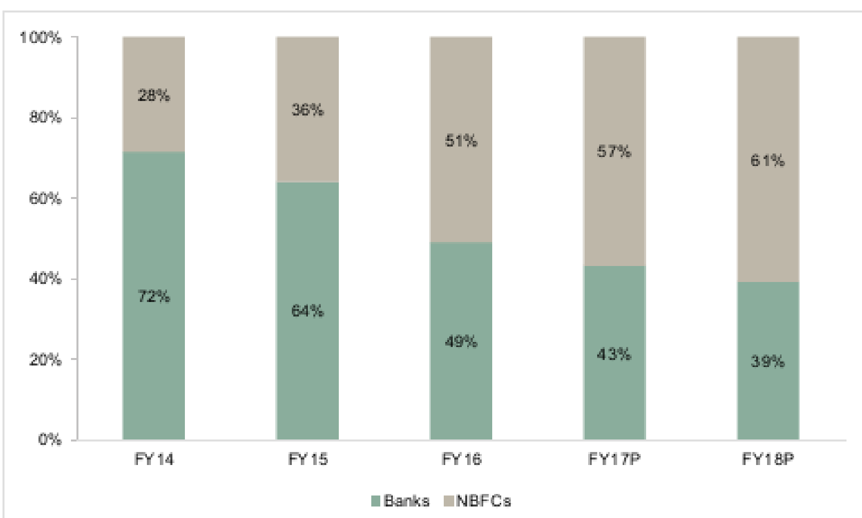
P: Projected
Source: CRISIL Report

NBFCs in Microfinance Industry

Following greater regulatory clarity and demand for loans from states apart from Andhra Pradesh, MFIs increased their market share from 28% in fiscal 2014 to 51% in fiscal 2016. The market share is expected to increase in the upcoming years on higher MFI growth. (*Source: CRISIL Report*)

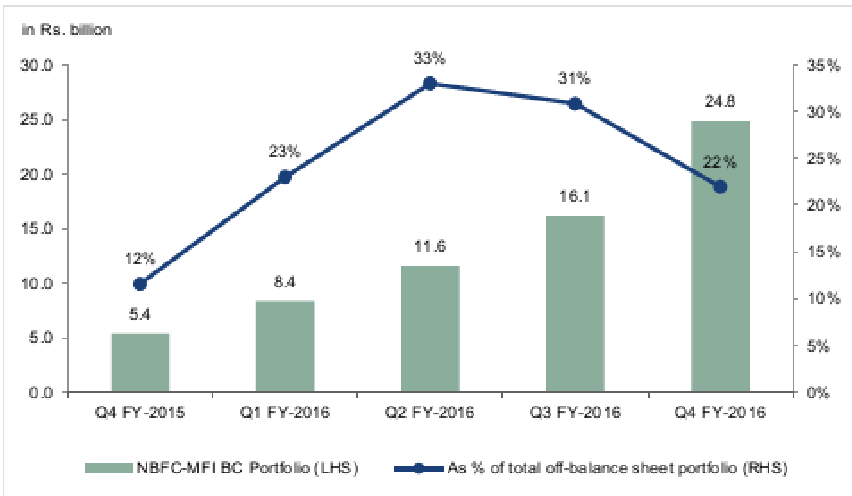
Share of NBFCs vis-a-vis banks



P: Projected (including players with SFB licence) and excluding Bandhan Bank
Source: CRISIL Report

Banks are increasingly using business correspondents ("BCs") to complete transactions due to their low operating costs and NBFC-MFIs are increasingly playing an important role as BCs in micro-lending. Between the third quarter of fiscal 2016 and the second quarter of fiscal 2017, NBFC-MFI's BC had consistently grown 40-50% on-quarter due to a low base and new entrants, however, the BC portfolio comprised only 20-30% of the overall off-balance sheet portfolio of NBFC-MFIs. A large portion (65-70%) was composed of securitisation (created through a special purpose vehicle ("SPV")) which almost doubled in size in the fourth quarter of 2015-2016. (*Source: CRISIL Report*)

BC portfolio of NBFC-MFIs

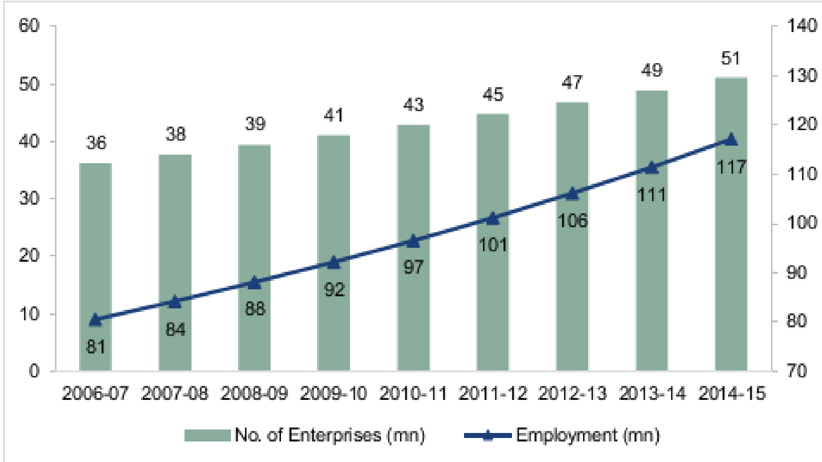


Source: CRISIL Report

Micro, Small and Medium Enterprises

India's MSMEs contribute significantly to economic development. In fiscal 2016, MSMEs accounted for approximately 45% of the India's manufacturing output and 40% of total exports. Further, the sector contributes to the socio-economic development of the country by providing employment in rural and backward areas, thereby reducing regional imbalance. MSMEs provide about 25% of the country's employment opportunities and approximately 45% of MSMEs are located in rural areas. MSMEs complement large units as suppliers as well. The number of MSMEs have been growing 4 to 5% on year during 2010 and 2015-2016. In fiscal 2015, the total number of enterprises in the sector were estimated at 51 million, employing about 117 million people. (*Source: CRISIL Report*)

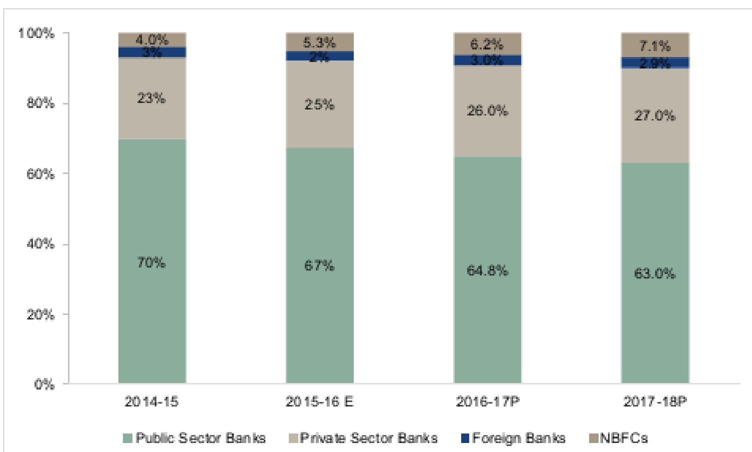
MSME units and employment trend



Note: Figures from 2007-08 are estimates of Ministry of MSME.
Source: CRISIL Report

MSME credit is expected to grow 10-12% annually over the next two years. Banks and NBFCs continue to reach out to a maximum number of borrowers who are now demanding more from financial institutions, in terms of, amongst others, quicker sanction of loans and disbursements and lower interest rates. As growth is expected to be higher in non-metros and due to the push by NBFCs, it is expected that their share will increase further from the current 5.3%. NBFCs are expanding their MSME loan book, and are targeting new customers who do not have an existing relationship with them. Hence, growth will be supported by better customer reach, greater focus, faster documentation process, and their higher risk appetite. (*Source: CRISIL Report*)

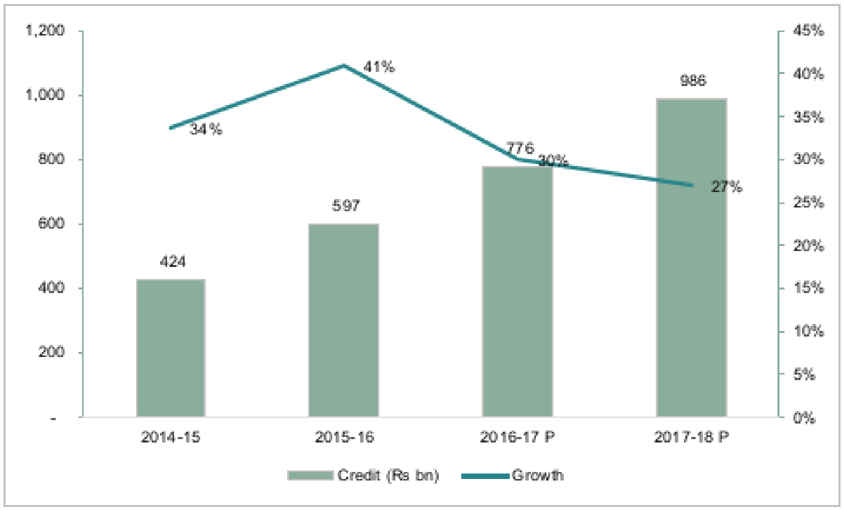
Share of private financiers in MSME credit is expected to increase



E: Estimated; P: Projected
Note: Loan against property portfolio of NBFCs has been excluded wherever possible.
Source: CRISIL Report

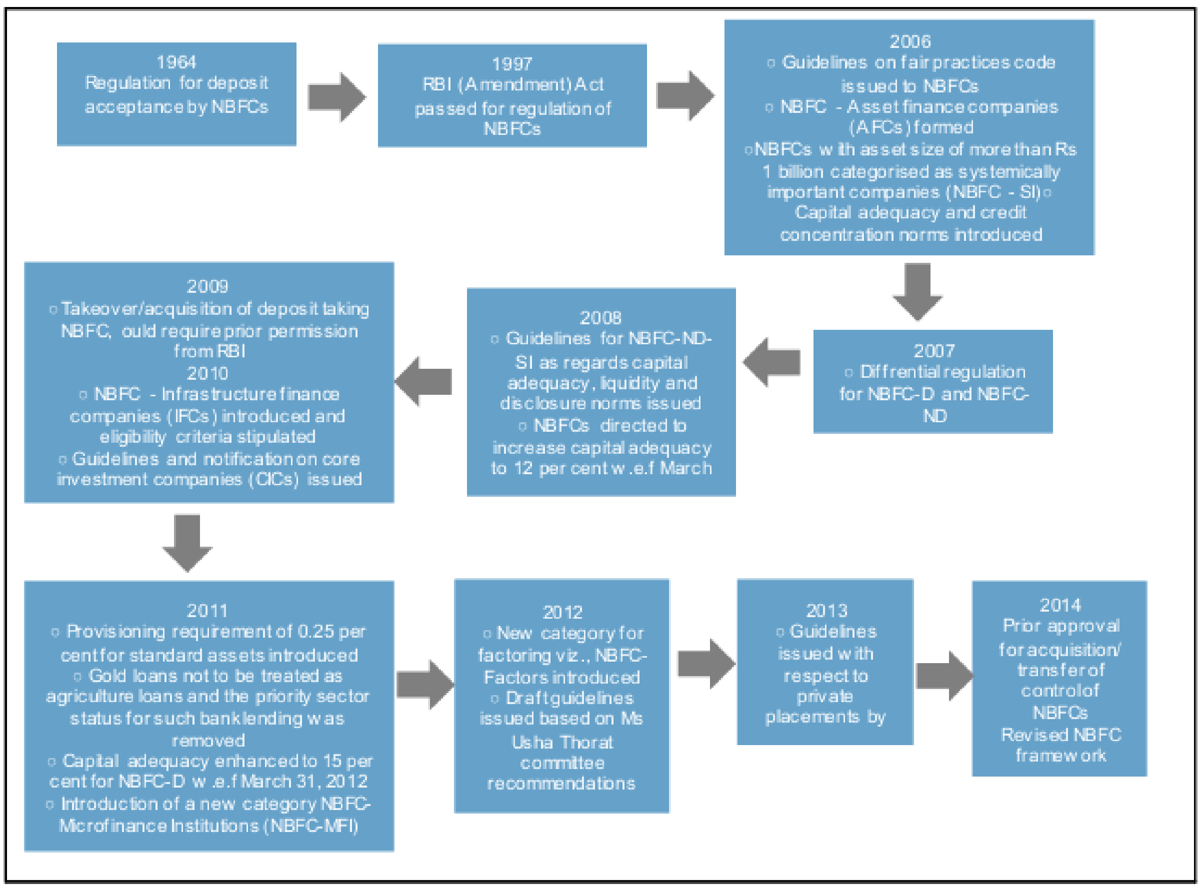
The loan book of NBFCs is also growing as they are replacing credit typically extended by the unorganised sector (moneylenders). They are attracting bank customers as well, by offering higher loan amounts, better service, faster turnaround time and less documentation. Also, NBFCs have improved their operating efficiencies by upgrading systems, concentrating on branches that fetch more business. (*Source: CRISIL Report*)

Growth of NBFCs



P: Projected
Note: Loan against property portfolio of NBFCs has been excluded wherever possible.
Source: CRISIL Report

Regulatory evolution for NBFCs



Source: CRISIL Report

BROKERAGE INDUSTRY IN INDIA

The Indian domestic capital markets revived in fiscal 2017 with the support of favouarble market sentiment, healthy foreign institutional investment inflow and growing domestic institutional investor participation in the market. (*Source: ICRA Report*)

The equity turnover at the stock exchanges registered a robust growth of approximately 35% in fiscal 2017 and the Average Daily Turnover ("ADTO") increased to ₹ 4,050 billion in fiscal 2017 from ₹ 3,010 billion in fiscal 2016. The derivatives or the futures and options ("F&O") segment which witnessed a 9% decline in fiscal 2016, grew at 36% in fiscal 2017. The share of the derivative segment in the total market turnover increased to 94%, from approximately 93% during fiscal 2013 and fiscal 2016. The currency trading volumes of brokerage houses remained volatile in the past nine quarters after growing sizably in the fourth quarter of fiscal 2015. However, during the first quarter in fiscal 2018, the currency trading volumes rebounded to ₹ 22,430 billion with the ADTO rising to ₹ 370 billion, which was higher than the ADTO in the previous three quarters. Further, a large number of clients are opting to conduct transactions online and accordingly, most industry players have consolidated their networks and started to prefer to have fewer branches per city. (*Source: ICRA Report*)

In addition, the recent margin trading guidelines by SEBI is expected to have an encouraging effect on cash volumes. Margin trading would result in higher yields in cash segment and also help support the income profile and shore up the profitability of full-service brokerage houses given the price based competition from discount brokerage houses. (*Source: ICRA Report*)

It is expected that the broking industry revenue pool will increase between ₹ 180 billion to ₹ 190 billion in fiscal 2018 which will result in a 15% to 20% year-on-year growth on the back of healthy volume growth coupled with rise in cash volumes. The volume growth is expected to be about 20% to 25% in fiscal 2018, supported by positive investor sentiment and a benign capital market outlook. (*Source: ICRA Report*)

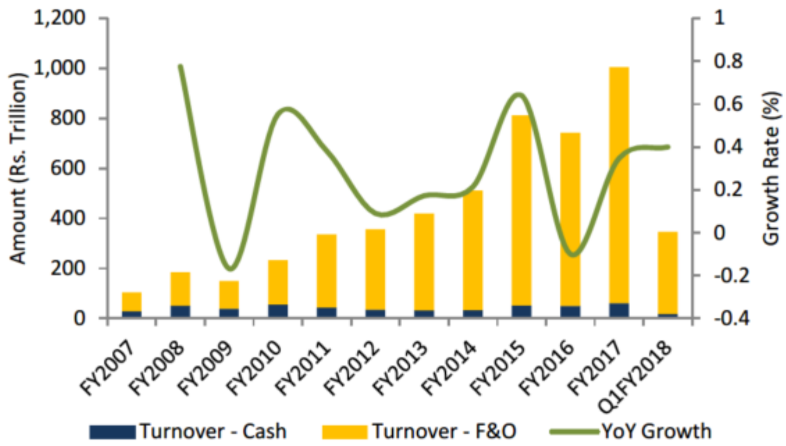
While the revenue stream continues to be dominated by brokerage revenues, attributing to 87% of total revenues, the depository income and distribution income reported a healthy growth in fiscal 2017. The net profit of the sample pool of brokerage houses analysed by ICRA, which include Edelweiss, Emkay Limited, HDFC Securities, IIFL, JM Financial, Karvy, Kotak Securities, Motilal Oswal, Philip Capital, Reliance Securities, Religare, and Sharekhan (collectively, "**ICRA Pool**"), reported a 56% growth in fiscal 2017 to ₹ 10 billion. Going forward, a further improvement in the profitability of brokers is expected in fiscal 2018 driven by higher revenues due to uptick in the equity markets, higher interest income and control on expenses provided the brokers are able to maintain their credit costs in margin lending business. (*Source: ICRA Report*)

Equity markets

Equity segment

Equity markets remained largely resistant to demonetization, barring a temporary setback during November 2016. With the gradual abatement of uncertainty about the impact of demonetization, the presentation of the Union Budget 2017 and the correction in Indian equity valuations, the trend of net foreign institutional investment inflows resumed from February 2017. With strong outperformance in the fourth quarter of fiscal 2017, the overall returns of BSE Sensex improved to 16.2% for fiscal 2017 and as a result, outperformed MICEX and Shanghai Composite, which reported annual return of 7.3% and 7.5%, respectively, for fiscal 2017. (*Source: ICRA Report*)

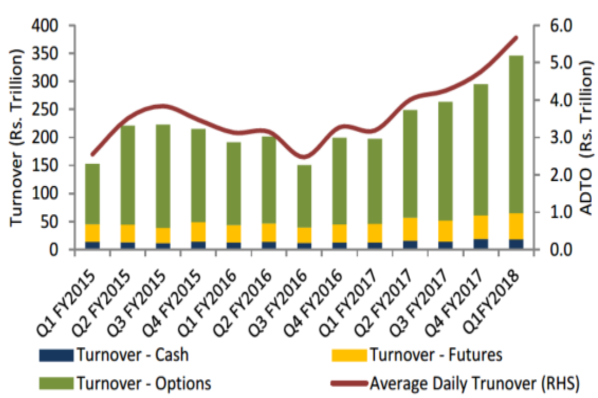
Yearly trend in equity market turnover



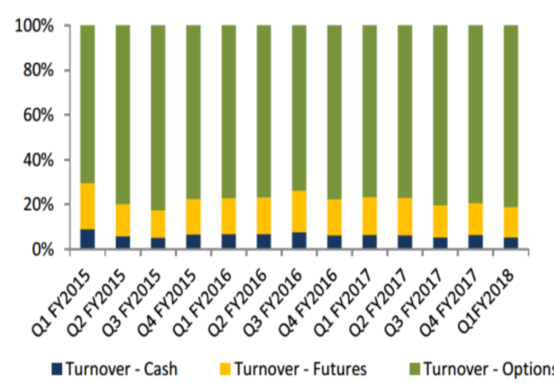
Source: ICRA Report

Supported by a revival of the domestic capital markets and the base effect given the subdued performance in fiscal 2016, the equity turnover at the stock exchanges registered a robust growth of approximately 35% in fiscal 2017. The equity turnover increased at a CAGR of approximately 11% during fiscal 2015 and fiscal 2017. Similarly, the ADTO increased to ₹ 4,050 billion in fiscal 2017 from ₹ 3,010 billion in fiscal 2016. Both the decline in market volumes in fiscal 2016 as well as their improvement in fiscal 2017 were led by the derivatives or futures and options segment which witnessed a 9% decline and a 36% growth in fiscal 2016 and fiscal 2017, respectively. The share of the derivative segment in the total market turnover increased further to 94% from approximately 93% during the period between fiscal 2013 and fiscal 2016. The positive market sentiment continues in the current fiscal, with the ADTO increasing to ₹ 5,670 billion in the first quarter of fiscal 2018, registering a growth of 40% over fiscal 2017 average and a year on year growth of 78%. (*Source: ICRA Report*)

Quarterly trend in the equity market turnover



Common-size analysis of equity market volumes

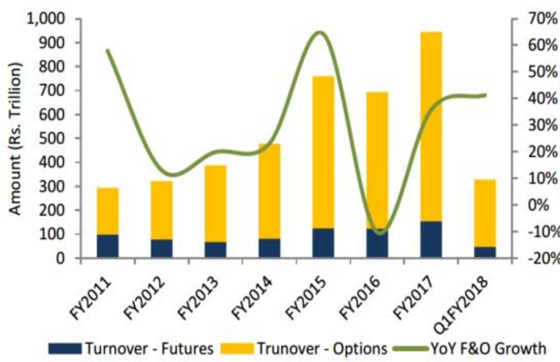


Source: ICRA Report

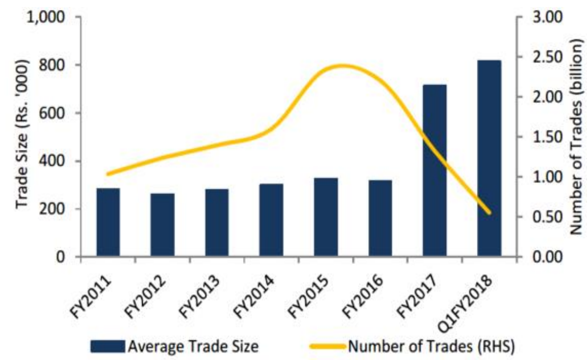
Derivative segment

Equity market turnover continues to be dominated by the derivative segment. The share of derivative segment in total equity turnover increased from approximately 67% in fiscal 2006 to approximately 94% in fiscal 2017. The growth has been driven by the exponential increase in the index options trading on the back of favourable policy as well as operational initiatives by the regulatory bodies and stock exchanges, such as the change in security trading tax structure in fiscal 2009, launch of co-location services in fiscal 2010, and introduction of liquidity enhancement incentive programme, provided by the BSE to increase liquidity in the derivatives segment, in fiscal 2011. The total turnover for the derivatives segment increased to ₹ 944,000 billion in fiscal 2017 (ADTO of ₹ 3,810 trillion) from ₹ 693,000 billion (ADTO of ₹ 2,800 billion) in fiscal 2016, registering a growth of 36%. The healthy traction continued in the first quarter of fiscal 2018 with a total F&O turnover of ₹ 328,000 billion. (*Source: ICRA Report*)

Yearly trend in the derivative market turnover



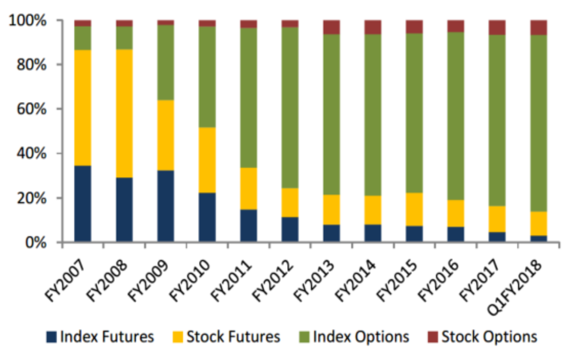
Trades & trade-size in derivatives turnover



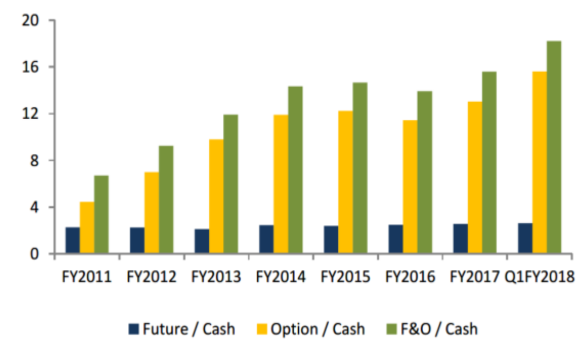
Source: ICRA Report

While the number of contracts reduced in fiscal 2017, the average contract size increased from ₹ 0.31 million in fiscal 2016 to ₹ 0.71 million in fiscal 2017, and further to ₹ 0.82 million in the first quarter of fiscal 2018. The options segment witnessed a growth of 38% in ADTO in fiscal 2017, surpassing the growth in both futures (24%) and cash (21%) segment, with the markets adjusting to the higher lot size requirement for derivative trading. The options growth rate remained healthy in the first quarter of fiscal 2018, at 45%, as against 23% and 21% for futures and cash segment respectively. The options segment remains the most active in the derivatives market accounting for 84% of derivative turnover in fiscal 2017 and 86% in the first quarter of 2018, with index options accounting for 77% of the derivatives turnover and 79% in the first quarter of 2018. (*Source: ICRA Report*)

Common-size analysis of derivatives volume on NSE



Yearly Trend in Ratio of Derivative to Cash Turnover



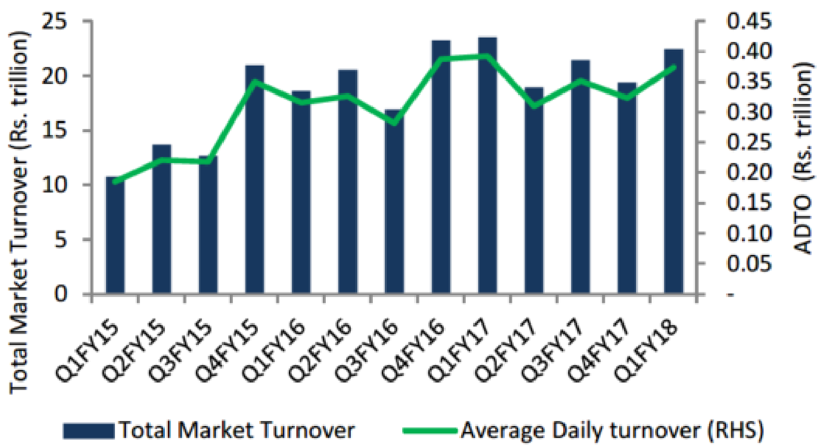
Source ICRA Report

Currency markets

In an effort to diversify their revenue stream, broking companies provide currency brokerage services to their equity clients. However, income generated and traded volumes are considerably lower than the equity brokerage services. Hence, volatility in the currency markets has little bearing on the overall credit profile of most brokerage houses. (*Source: ICRA Report*)

The currency trading volumes of brokerage houses remained volatile in the past nine quarters after growing sizably in the fourth quarter of fiscal 2015. In the fourth quarter of fiscal 2017, the volumes declined by approximately 17% from the volumes in the fourth quarter of fiscal 2016. Due to demonetization, the volumes surged by 66% on a month-on-month basis in November 2016. Appreciation of the Indian Rupee during the fourth quarter of fiscal 2017 did not impact the volumes which declined to ₹ 19,400 billion from ₹ 21,400 billion in third quarter of fiscal 2017. ADTO, which rose to ₹ 350 billion during the third quarter of fiscal 2016, declined to ₹ 320 billion during the fourth quarter of fiscal 2017, largely on account of demonetisation. During the first quarter of fiscal 2018, the currency trading volumes rebounded to ₹ 22,430 billion with ADTO spiking to ₹ 370 trillion, which was higher than the ADTO in the previous three quarters. (*Source: ICRA Report*)

Quarterly Trend in Currency Market Volumes and ADTO



Source: ICRA Report

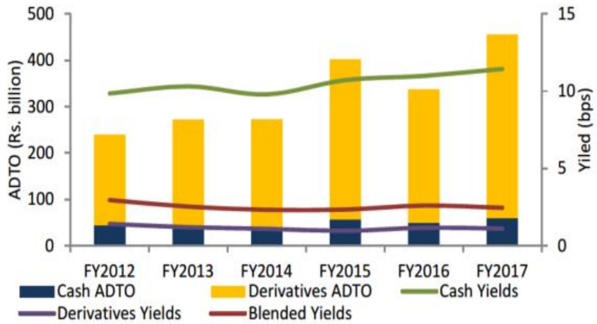
In November 2016, the RBI allowed multi-national companies to hedge their foreign currency exposures (other than import/ export) through all foreign currency derivatives, over-the-counter and exchange-traded products. It is expected that the RBI's increasing stress on currency hedging is likely to bring in more players to the onshore currency markets. (*Source: ICRA Report*)

Retail Broking

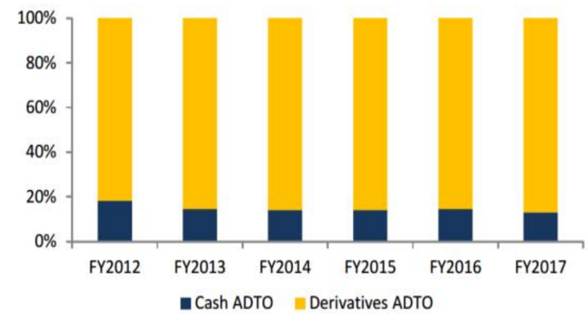
The retail broking segment witnessed significant disruption in the last few years on account of the emergence of discount brokers. The highly competitively priced offering of these brokers, no-frill basic account and services, has resulted in a realignment of the pricing strategy across the industry. Apart from attracting clients from full-service providers, discount brokerage houses have expanded the market by bringing on-board a large number of first-time investors. (*Source: ICRA Report*)

The activity in the retail segment has historically been observed to be sensitive to market returns. For instance in fiscal 2016, in a tepid capital markets environment, the retail actively remained subdued. The ICRA Pool reported a 16% de-growth in retail ADTO to ₹ 338 billion in fiscal 2016 from ₹ 402 billion in fiscal 2015. The activity in the retail segment picked up in fiscal 2017, with the ADTO increasing to ₹ 456,000 billion, a year on year growth of 35%. The retail activity remained dominated by the derivatives, which attributed to 87% of the total turnover in fiscal 2017. The blended yields for the retail segment softened to 2.5 bps in fiscal 2017 from 2.6 bps in fiscal 2016 primarily on account of the contraction in the derivatives segment yield, however, the cash segment yields hardened during this period. (*Source: ICRA Report*)

Trend in ADTO and yield in Retail Broking for select players



Trend in volume mix in Retail Broking for select players



'Select Players' collectively refers to Aditya Birla Finance, Edelweiss, Emkay, Geojit BNP Paribas, IIFL, IL&FS, JM Financials, Kotak Group, Motilal Oswal, Phillip Group, Prabhudas Lilladher, Religare Finvest, Sharekhan Limited and STCI Finance.
Source: ICRA Report

Online channel

The online channel continues to grow in popularity, and has emerged as the prime channel for the large broking players. Competition from discount brokers, demographic shift in the customer profile with increasing number of younger clients exhibiting strong preference for limited human interactions and lower cost have been some of the reasons driving online channels. Further, as a conscious strategy, brokerage houses are encouraging clients to transact online which further increases franchisee/ branch efficiency. The share of retail volumes from the online channel for the ICRA Pool has increased to 70% in fiscal 2017. Though derivative yields for both offline and online clients are largely at par, the cash yields are lower by 3 to 4 bps for online transactions. Consequently, blended yields were marginally lower by about 1 to 2 bps for the online segment in fiscal 2017. (*Source: ICRA Report*)

Regulatory Scenario

Margin Trading for Stock Brokers

In June 2017, SEBI released the "Comprehensive Review of Margin Trading Facility" which eases out the margin requirement and provides more flexibility to brokerage houses for offering this facility to clients. The initial margin is a function of the value at risk and extreme loss margin of the security concerned as against a fixed proportion of 50% as per the earlier guidelines. In contrast to the earlier guidelines which mandated the initial margin to be collected in cash or fixed deposits, the revised guidelines offer the flexibility of collecting margin in the form of securities. Further, the revised guidelines also allow brokerage houses to raises funds through commercial paper for providing this facility. (*Source: ICRA Report*)

While the brokerage houses were allowed to offer margin trading earlier as well, the strict margin guidelines made the products uncompetitive as compared to the facilities offered by non-banking financial companies ("NBFCs"). Margin funding, thus, was conducted out of the NBFC arms of brokerage houses. The revised guidelines make margin funding a viable product for brokerage houses. A lower margin requirement, which can be as low as 22.5%, and the flexibility to provide the margin in the form of securities makes this an attractive proposition for clients. Going forward, margin trading is expected to support cash volumes. Further, it is also expected to facilitate brokerage houses to be profitable. While it is expected that margin funding businesses will be transferred from NBFC arms to the balance sheet of a brokerage entity, NBFC arms are likely to continue to provide loans against shares for purposes other than trading. These recent margin trading guidelines by SEBI are expected to have an encouraging effect on cash volumes. (*Source: ICRA Report*)

Discussion Paper on Derivatives

In July 2017, SEBI released a discussion paper on "Growth and Development of Equity Derivatives Market in India" on issues related to trading in derivatives, participant's profile, product mix, stock eligibility, leverage related matters and product suitability framework to further strengthen the framework in line with the emerging trends and global best practices. The discussion paper stems from SEBI's concern about the increasing derivatives market in the country and the high retail investor participation in this segment. During fiscal 2005 and fiscal 2017, the equity derivatives market grew at a CAGR of 35%, as against a 11% growth in the cash market. The ratio of turnover in equity derivatives to turnover in equity cash market in India remains high, second only to South Korea. (*Source: ICRA Report*)

As per SEBI, given the complex nature of the products, the investor's understanding of the product as well the ability to absorb risks remains critical. Individual investors have a sizeable participation in the derivatives market, accounting for 25.67% of the total equity derivative turnover on NSE in fiscal 2017. The individual investor activity in the derivatives segment is significantly disproportionate in relation to their stock ownership. The non-institutional segment (including proprietary trade, retail and HNI segments) accounts for approximately 86% of the derivative turnover, while their share in stock ownership remains much lower. This points towards deployment of derivatives for the purpose of speculative trading as opposed to hedging. Another reason which has fueled the derivative trading is the tax arbitrage given the lower rate of securities transaction tax ("STT") applicable on derivatives as compared to equity. Further, the STT on options is applicable only on the premium and is thus lower than that on futures wherein it is charged on the notional value. (*Source: ICRA Report*)

In November 2015, SEBI increased the minimum contract size for derivative contracts to ₹ 0.5 million from ₹ 0.2 million, a move aimed at controlling retail participation in the sector. While this had an impact on derivatives turnover for fiscal 2016, the market players were able to adapt their strategy subsequently, with the overall derivatives turnover registering a healthy growth in fiscal 2017. The recent revision in the margin guidelines by SEBI, which is expected to give a push to the cash segment, is consistent with its intent of cautiously evaluating the derivatives market. With less than 6% of the derivatives turnover attributed to investors having cash turnover of nil to less than ₹ 1 million, the impact of shrinking of investor base with tightening of guidelines remains limited. However, any revision in the derivative trading guidelines is expected to have a bearing on the industry volumes, till appropriate realignment of trading strategies by the market players. The cash segment, however, can be a beneficiary with the shift in investor interest from derivatives to this segment. Given the higher yields in the cash segment, this would augur well for the brokerage houses. (*Source: ICRA Report*)

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 18 for a discussion of the risks and uncertainties related to such statements and also "Risk Factors" on page 19 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Statements for Fiscal 2013, 2014, 2015, 2016 and 2017 included in this Draft Letter of Offer. For further information, see "Financial Statements" on page 216c.

Unless otherwise indicated, industry and market data used in the context of NBFCs in this section has been derived from the report "NBFC Report" dated October 2016 (the "CRISIL Report") prepared and issued by CRISIL Limited.

In this section, unless the context otherwise requires, a reference to "our Company" is a reference to Indiabulls Ventures Limited on a standalone basis, while any reference to "we", "us" or "our" is a reference to Indiabulls Ventures Limited on a consolidated basis.

Overview

Indiabulls Ventures Limited is a financial services company engaged in providing securities and derivative broking services, in addition to the lending business carried out by its subsidiary IVL Finance Limited ("IVLFL"). Our Company was incorporated in 1995 and its longstanding presence in financial services has enabled us to establish "Indiabulls" as a recognized brand in the financial services sector. The Company's equity shares are listed on The National Stock Exchange of India Limited and BSE Limited and its Global Depository Receipts are listed on the Luxembourg Stock Exchange.

Our primary business verticals include our brokerage services business and other advisory services, and our lending business. We are also in the process of commencing operations of our asset reconstruction business through our wholly-owned subsidiary Indiabulls Asset Reconstruction Company Limited.

Brokerage Services. Our brokerage activities include equity, debt, derivative and currency trading, as well as equity research analysis, which are carried out on our trading platforms. Our online trading platform "Power Indiabulls" is an in-house developed specialized advanced trading platform that interfaces with the stock exchanges on a satellite-based network. We also operate a corresponding mobile variant "Mobile Power Indiabulls", that supports our brokerage activities. "Power Indiabulls" and "Mobile Power Indiabulls" provide enhanced trade execution on an integrated software based trading platform. Our Company has also recently been granted a category I merchant banking license from SEBI for the purpose of carrying out certain merchant banking activities.

Lending Business. Our lending business is carried out by IVL Finance Limited, a wholly owned subsidiary of our Company, registered as a non-banking finance company ("NBFC") with the Reserve Bank of India ("RBI"). Our lending business focuses on personal, business and other loans, and we are in the process of setting up a mobile based application "Dhani", an automated mode of lending which will enable loan application, risk analysis, credit approval, underwriting and disbursal processes to be carried out electronically through the application. As we continue to further expand our lending operations, we have infused ₹ 10 billion in the form of equity in IVLFL for this purpose.

Asset Reconstruction. We have set-up an asset reconstruction company, Indiabulls Asset Reconstruction Company Limited ("IARCL"), as a wholly owned subsidiary of our Company. IARCL was granted a certificate of registration from the RBI on May 19, 2017, to commence the business of securitization or asset reconstruction. We have recently infused equity capital of ₹ 1 billion in IARCL.

Real Estate Brokerage Services. This business is carried out by our subsidiary Indiabulls Investment Advisors Limited, an entity registered with relevant real estate regulatory authorities across various states in India, and primarily comprises real estate broking services.

We acquired India Land and Properties Limited ("ILPL"), a real estate development company with effect from November 18, 2014, and sold ILPL with effect from March 16, 2017. Our Restated Consolidated Financial Statements included in this Draft Letter of Offer therefore reflects the business and financial performance of ILPL for the period between November 18, 2014 and March 16, 2017. ILPL generates lease income primarily from commercial properties it owns in Chennai, India.

In Fiscal 2015, 2016 and 2017, our profit after tax was ₹ 1,471.46 million, ₹ 735.41 million and ₹ 1,244.88 million, respectively, and profit after tax (on a standalone basis) was ₹ 1,150.98 million, ₹ 170.56 million and ₹ 481.09 million, respectively.

Competitive Strengths

Established brand in the financial services industry

Our Company was incorporated in 1995, and over the last two decades we have diversified our business to include online and offline brokerage services, commodities trading, financing services, asset reconstruction services, and real estate brokerage services. We believe that the "Indiabulls" name has developed significant brand equity, particularly in the financial services sector in India, and has contributed to the growth of our business. Our Company has been rated "BQ1" by CRISIL for our broking activities, reflecting our established position as a capital markets and financial services company in India.

Scalable technology enabled trading platform

We have developed a scalable technology enabled trading platform designed to provide efficient, reliable, versatile and speedy transactions. Our "Power Indiabulls" trading platform is equipped with various consumer oriented features including access to real-time stock prices, live trading reports, charting and news streams, with reliable services. Our execution and clearing systems enable our clients to trade efficiently and reliably. We are able to integrate technological changes by upgrading our systems. We believe that our systems are scalable, enabling capacity expansion, with limited cost and operational adjustments. We believe that our stable technology infrastructure manages trade execution risk, ensuring increased customer confidence. We continue to introduce technology enhancements to our trading platform and operations across our other businesses to ensure operating efficiencies.

Seasoned management team

Our senior management team has extensive experience in financial markets and the financial services sector. We believe that our senior management team has contributed to the expansion and diversification of our business operations. Each of our business verticals is supported by a dedicated team of professionals. We believe our management team enables us to implement policies and processes that ensure operational efficiencies and that our current management structure allows scalability.

Business Strategies

Grow our lending business

We intend to focus on our lending business as a key focus area to expand our presence in the financial sector. Financing requirements have increased along with the growth in the Indian economy. NBFCs have played a major role in meeting this need, complementing banks and other financial institutions. NBFCs make financial services available with respect to underserved customers and geographic segments. Going forward, NBFCs will be required to intensify focus on their core strengths, diversify their portfolio, and introduce new products to enable them to gain presence in the competitive financial market. As public sector banks are currently struggling to meet asset quality requirements, there is a growing opportunity for well-capitalized NBFCs to gain market share, in addition to entering newer areas. *(Source: CRISIL Report)* We believe we are well placed to cater to this segment by expanding our lending business, through the acquisition of new customers, providing a convenient experience to customers and offering differentiated solutions to meet the specific needs of particular customer demographics. In order to expand our lending business, we have also infused ₹ 10 billion in the form of equity funding into IVLFL, our subsidiary, which is a registered NBFC with the RBI.

As part of our strategy to focus on our lending business, we intend to customize and introduce new loan products and evaluate other financing opportunities. We also intend to improve our lending processes and distribution channels through IVLFL. We are currently in the process of implementing a distinct distribution channel for our financing products in the form of an easy-to-use product accessible on mobile platforms through an application named “Dhani”, which is a customized platform for loan origination and credit underwriting. Through such mobile application platform, customers will be able to apply for the loan, receive loan decision within a relatively short period of time, and organize loan disbursement, all through such automated mobile application platform. The platform will be equipped to run credit checks and process disbursements. The platform will be capable of generating credit scorecards after considering all factors, including an individual’s internal credit rating, information from external credit bureaus and salary details. We expect a significant part of our personal loan business in the future to be developed through the “Dhani” mobile application platform. Our customized mobile based application will also enable customers to view their loan details and related statements, and make part-prepayment and payment of overdue installments using internet banking. We believe that our customer service initiatives coupled with the use of technology will allow us to increase our presence in the lending market and secure both new and repeat business in our lending operations.

Develop our asset reconstruction business

The Indian banking sector has been subject to the problem of stressed assets which has significantly worsened in recent years.Given the rise in NPA volumes in the banking sector and the corresponding pressure on the banking industry to maintain adequate capital, we intend to expand our presence in the financial services sector with our asset reconstruction business by leveraging the “Indiabulls” brand. Our subsidiary, IARCL, has recently received a certificate of registration from the RBI to commence the business of securitization or asset reconstruction under section 3 of the SARFAESI Act, 2002. During Fiscal 2018, we have made ₹ 1 billion equity infusion in the asset reconstruction business. We have also appointed an experienced senior management team to lead the asset reconstruction business, headed by a CEO with over two decades of experience in the financial services industry, including in the distressed asset business in India.

Continue to provide value-added brokerage services

The online channel for brokerage and trading has continued to gain popularity, and has emerged as the prime channel for large broking players. Competition from discount brokers, demographic shift in the customer profile with increasing number of younger clientele exhibiting strong preference for reduced human interactions and lower cost, have been some of the reasons driving online channels. The share of retail volumes from the online channel has also increased. In order to cater to the growing market for online trading, most players are focused on providing market participants with greater access to their trading facilities. A number of brokerage houses are encouraging clients to transact online, routing them to an exchange for a fee and clients have begun to bypass these brokers and execute their trades online. (*Source: ICRA Report*)

We believe that these developments provide opportunities for brokers such as us that can offer clients more value-added services. We offer our clients efficient access, electronically and through our personnel, to additional products, trading markets and regions, together with significant liquidity in our trading markets. We believe we are well positioned to withstand the pressures of disintermediation and price-compression in our industry. We believe that the competitive pressures in our industry present significant growth opportunities. We believe that because of our competitive strengths we can benefit from growing trading volumes and can gain market share from brokers that do not offer clients the value-added services we do. In addition, as exchange trading volumes rise, so will demand for clearing services, and while the exchanges provide clearing through their clearing houses, the latter require intermediation from approved clearing member firms. As a result, we believe that rising trading volumes on exchanges can lead to rising revenues for brokers that provide value-added execution services and clearing services.

Continue to improve productivity, reduce risks and decrease costs

We continue to improve our productivity, reduce risks and improve our customer service through the use of technology and focus on analytics. Through marketing and pricing analytics, we seek to identify and address the particular needs of specific customer segments in our various businesses. In order to ensure cost efficient operations, we have established a dedicated team which reviews and re-engineers our processes periodically to make our operations more efficient. We also have a financial planning and analysis unit which conducts periodic reviews of major expenditures to find methods to reduce the same. We believe that these initiatives enable us to ensure cost efficient operations across our various businesses.

Business Operations

Our operations can broadly be divided into the following principal business verticals: (i) brokerage and advisory services, (ii) lending business, (iii) asset reconstruction business, (iv) real estate brokerage services, and (v) other businesses, which primarily includes real estate development.

Until March 2017, through our wholly-owned subsidiary ILPL, we also owned a commercial real estate leasing business. We sold ILPL with effect from March 16, 2017.

Brokerage and Advisory Services Business

Our brokerage and advisory services business is conducted directly by our Company, which carries on the equity, debt, currency, and derivatives brokerage businesses, and through our wholly owned subsidiary Indiabulls Commodities Limited ("ICL"), which carries on the commodities trading business. Our other wholly-owned subsidiaries Devata Tradelink Limited and Pushpanjli Fincon Limited are engaged in providing consultancy and financial advisory services.

Our Company is a corporate member of the capital market, wholesale debt market and derivative segment of the NSE and a corporate member of the capital market and derivative segment of the BSE. ICL is in the business of commodity broking and provides trading services on two exchanges in India, the National Commodities and Derivative Exchange Limited and Multi Commodity Exchange of India Limited.

Through various kinds of brokerage accounts, we provide products and services related to the purchase and sale of securities, such as equity, debt, currency trading, and derivatives, listed on the BSE and the NSE. We also provide depositary services, equity research services, mutual fund and IPO distribution services to our clients. We provide these services through on-line and off-line distribution channels.

We also provide facilities for non-resident Indians to trade through an Indiabulls NRI trading account and also provide depositary and account services. On registration by an NRI with us, the NRI customer may purchase and sell Indian securities remotely from any location globally, through an integrated NRI Indiabulls depositary account and non-resident extraordinary bank account which facilities regulatory approvals for non-resident Indians. This service is currently only available to eligible non-resident Indians domiciled in certain notified countries.

Equity, Debt and Derivative Brokerage

Our retail equity business covers primary and secondary market equity broking and mainly targets retail investors. It offers automated on-line investing trading facilities as well as broker assisted trade execution to its customers. Investors have access to personalised portfolio tracking, charting and quote applications, real-time market commentary, and real-time quotes and news. We also offer brokerage services for debt and derivatives markets.

Online Trading Channels

We currently have three online trading channels: the online trading website at www.indiabullsventures.com; "Power Indiabulls", a trading platform that interfaces with the stock exchanges on a satellite-based network, which enables investors to carry out stock transactions on-line; and "Mobile Power Indiabulls", a mobile based trading platform.

On-line trading is convenient for clients and also minimises the typical offline costs incurred in responding to and processing routine client transactions.

Online Trading Website

Our online trading portal is accessible through our website, www.indiabullsventures.com and clients can directly execute the sale and purchase of securities. When a client sends a trade request, it is routed through the risk management system. The risk management system verifies that there are sufficient margins in the client account for the trade, and a confirmation reference number for the trade is sent to the client promptly if funds are available. The trade request is then sent through satellite connection to the NSE or the BSE where the trade is executed. The client receives confirmation of such execution shortly after the original request is sent by them, in each case, subject to the end-user's internet connection speed.

The website also provides many other facilities to clients such as objective financial information on Indian stocks presented under various filters to assist their investment decisions, streaming real-time quotes, integrated risk management and support for equity, debt, equity derivatives, currency derivatives, commodities and mutual funds.

Power Indiabulls Trading Platform

"Power Indiabulls" is an on-line trading system, which provides trade information and order execution on an integrated software-based trading platform. "Power Indiabulls", once installed on the client's computer, operates as an online dealer terminal, and is directly synced with us through internet connectivity. It facilitates investments in equity, futures and options, commodities, currency derivatives and mutual funds for the internet trading community. It also provides integrated multiple market watches for equity, equity derivatives, currency derivatives and commodities, advanced technical analysis of various securities, risk management reports, real-time stock price display and live trading reports, intraday charting, and prompt order confirmation, even during peak hours of trading.

Mobile Power Indiabulls Trading Platform

"Mobile Power Indiabulls" is an online mobile trading application that acts as the mobile variant of "Power Indiabulls" for trading. It facilitates trading in equity, futures and options, and currency derivatives with features like real time stock price display, live trading reports, multiple market watches, instant fund transfer, market depth, and charting. Although limited in terms of features when compared to "Power Indiabulls", it is a convenient portal for trading in the form of a mobile platform.

Off-line Trading Channels

We also facilitate off-line trading of equity and derivatives for clients through relationship managers stationed at our branches across India. Relationship managers act as a single point of contact for the client, and act on and execute clients' requests for the sale or purchase of securities. Relationship managers have access to various resources such as objective analysis of market stocks and other specialists that can provide other products tailored to the client's needs.

Depositary Services

The Company is registered as a depositary participant with the National Securities Depository Limited (the "NSDL") and Central Depositary Services (India) Limited (the "CDSL") for trading and settlement of dematerialised shares. We perform clearing services for all securities and commodities transactions. Clients of the brokerage business are able to use the depositary services to execute trades through us and settle these transactions through our depositary services.

Indiabulls Equity Analysis

Indiabulls Equity Analysis is an analysis of securities which can be accessed on our website. The research desk is comprised of dedicated professionals carrying out technical and fundamental research. Our research techniques are derived from quantitative models along with industry stock specific filters which help us in identifying ideas with higher margin of safety and aggressive expected returns. The fundamental stock selection process involves various screening models. Our techniques evaluate various asset classes through study of key indices, commodities, forex and bonds – which enables us to shed light on the signals emerging from these markets and their implications through inter-market analysis.

Mutual Funds

We also distribute various mutual fund products (equity, debt and balanced mutual funds) through our retail distribution network. Clients are offered a wide variety of mutual funds from asset management companies with pre-determined investment options.

Other Related Services

We also provide various other related services through our wholly-owned subsidiaries. For further information, see " – *Other Businesses and Subsidiaries*" on page [●].

Reporting and Analytical Tools

We deliver clients reporting analytics to assist in tracking and evaluating trade execution activity and quality, including reports and execution performance reviews. All clients have access to a basic reporting and analytics package that covers administration, which provides details around accounts, users, user entitlements, and trading limits. Additional details are provided relating to client billing, trade activity details, and analysis including review of settlement instructions.

Sales and Marketing in Brokerage and Advisory Services Business

We promote our products and services through direct and indirect sales and marketing strategies. We have a large sales team, including relationship management professionals, that is responsible for promoting the benefits of our brokerage, trading and other advisory and related services, attracting new clients and increasing use of our services by our existing clients.

Customer Service

We strive to maintain a high standard of customer service by staffing the customer support team with appropriately trained personnel.

We provide sales and customer support through online, through calls as well as through our physical branch infrastructure. Our website acts as a portal where customers can obtain answers to frequently asked questions. The online service center also provides customers with the ability to send a message to one of our customer service representatives.

Technology and Infrastructure

Our technology infrastructure is critical to our brokerage and advisory business. Our front-end user interfaces are web, desktop and mobile applications so that our users can experience solutions with advanced functionality. We test our systems' performance and capacity to handle projected volumes. Our electronic trading platform is accessible via the internet.

We constantly monitor connectivity, and our operations team is alerted if there are any suspicious events. Users are issued unique IDs and passwords, and must authenticate themselves to make changes or reset passwords.

Lending Business

Our lending business is carried on through our wholly-owned subsidiary IVLFL, a non-public deposit taking NBFC registered with the RBI. We have recently increased our focus on further developing our lending business, and have in June 2017 made an equity capital infusion of ₹ 10 billion to further grow our lending business. A significant part of our net proceeds from the Issue is also contemplated to be used in our lending business. For further information, see "*Objects of the Issue*" on page 110.

Our lending business comprises personal, business and other loans. In addition to increasing our existing physical distribution network and developing our overall lending business, we plan to introduce our mobile application platform for personal loans called "Dhani", an integrated, automated loan processing platform. We will continue to provide loans through our branch infrastructure as well.

Products

We offer unsecured personal loans targeted at a wide range of customers that meet our eligibility criteria. These eligibility criteria include age restrictions, such as minimum age at the time of loan application, and maximum age at the time of maturity of such loan. Other eligibility criteria for borrowers include minimum income levels based on residential location and income sources, as well as specific employment conditions, and certain banking and credit history requirements.

We also offer business loans and other loans to SMEs, MSMEs and other enterprises, which may be secured or unsecured. Our business loans are primarily targeted at self-employed manufacturers, wholesalers, retailers and professionals such as doctors, architects and chartered accountants. Borrowers that are companies or other forms of business enterprises, are required to meet various eligibility criteria, including relating to period of business continuity, profitability, revenue thresholds, working capital cycles and leverage ratios.

Our credit assessment processes include credit checks as well as considering information obtained from credit bureaus, and other financial information and credit history relating to the applicant. We also engage external fraud detection agents to review certain applicants, based on discrepancies in financial records and identity information provided by the borrower.

Disbursements made under personal loans are typically deposited directly in the borrower's bank account. While we currently source personal loans primarily through third party direct selling agents, we plan to introduce our mobile application platform for personal loans called "Dhani", which is expected to provide an integrated, automated unsecured personal loan processing platform. We also continue to evaluate other lending opportunities and loan products in the market.

Branch Infrastructure

Our lending business is currently primarily sourced through direct selling agents. Potential customers may also apply for our personal loan or business loan products through our branches where preliminary verification of the financial and other information provided by the potential customer is carried out. We may conduct site verification visits and interviews with the applicant. We have centralized credit hubs where our underwriting processes are carried out by our credit team. We have also entered into arrangements with certain verification agencies, supervised by our internal management, to conduct site visits to verify identity and other information of applicants in certain cases. On the sanction of a loan amount, repayment terms are set out up on completion of all documentation requirements by the applicant.

Introduction of Mobile Platform

We are in the process of developing a mobile application for our personal loans called "Dhani", which is aimed at providing an integrated, automated loan processing platform for our customers. We expect a significant part of our personal loans business in the future to be originated through the "Dhani" mobile application platform.

The mobile application is aimed at providing our personal loan customers with the convenience of making a loan application at any time through the "Dhani" mobile platform. The "Dhani" mobile platform is expected to be available across Android and IOS operating systems. Through such mobile application platform, customers will be able to apply for the loan, receive loan decision within a relatively short period of time, and organize loan disbursement, all through such automated mobile application platform. On sanction of a loan through the mobile platform, loan funds will be deposited directly in the customer's bank account.

Our automated loan process will be linked to the "Aadhar" unique identification number of potential customers, which will enable us to verify the basic personal information of the loan applicant, including the name, address and age. Our decision engine which will comprise of our data analytics software will commence processing of the loan application by analysing available information, including, the applicant's credit and banking history and repayment record as reported by credit bureaus, establishing a specific risk assessment score for such applicant. Such risk score, called the "Indiabulls score", together with other parameters including relevant financial and personal information of the applicant such as credit and banking history information from credit bureaus, will be taken into account to determine the applicant's credit score and the relevant credit limit of the applicant, and consequently the sanction of a loan amount, the relevant repayment mode and mode of disbursement.

On determination of eligibility of the relevant loan applicant, the loan applicant will be informed of the eligible loan amount and the terms of such loan. The fully automated loan application and processing through the "Dhani' mobile platform is aimed at simplifying the loan application process and minimizing manual review of loan applications. The integrated credit and financial information relating to applicants mobilized through arrangements with various credit bureaus, and the comprehensive credit scoring models developed on the basis of such information is expected to simplify the loan application process and significantly reduce the time for sanctioning, processing and disbursement of such loans. Users of the "Dhani" application can choose to setup a repayment mandate by way of a standing instruction with a few select banks or through a NACH mandate. Our customized mobile based application will also act as a comprehensive platform that will enable customers to view their loan details and related statements. The mobile based application will also provide facilities such as part-prepayment and payment of overdue instalments using internet banking.

We have entered into arrangements with data analytics companies and financial technology service providers to develop our automated loan platform and seamlessly integrate our loan application and processing operations with the information available from the unique personal identity "Aadhar" card, the applicant data available with credit bureau reports, and the banking and credit history of the applicant in order to identify and generate appropriate credit scores. In order to support our mobile application based loan process, we have developed a decision engine, comprising of our data analytics technology to provide simplified and competitive financing options to customers. We expect our platform to be powerful enough to handle large volume of data required to evaluate customer applications and flexible enough to capitalize on changing customer preferences, market trends and regulatory requirements. We plan to develop our presence as a technology-enabled financing company by adopting advanced analytics to simplify and revolutionize credit assessments and financing decisions, and enable short turnaround time credit decisions and automated loan sanction processes across India. In the event any further documentation is required to complete the automated data analytics process contemplated by such mobile application loan sanction process, the relevant applicant will be contacted by support teams to enable collection of relevant documentation.

We believe that our automated loan application process, based on a number of credit and borrower eligibility criteria, will provide a more customer friendly option compared to traditional loan application processes that require manual review and credit decisions, which is resource-intensive, time-consuming and may lead to inconsistent results.

Risk Management

Based on the information supplied by the applicant regarding the applicant's financial and employment status, and the banking and credit history of such applicant drawn from credit bureaus and other sources, internally developed credit assessment algorithms and the minimum eligibility criteria for applicants, we identify the applicable credit score for the applicant. The following factors are also typically taken into account in determining the credit score of an applicant: credit card usage, nature of loans availed in the past, as well as the credit history, including whether timely repayments were made on previous or existing loans.

Our credit risk model involves customer credit insights developed from customer data available through the applicant's financial and other records available publicly or provided by the applicant, which we believe enables us to develop credit scoring methodologies to provide more accurate credit scores and associated credit pricing. We believe that such integrated credit scoring methodology provides for automated loans processing. We also continue to monitor risks in the lending business and modify our underwriting policy basis requirements from time to time.

Customer Sourcing and Marketing

Our customer origination initiatives involve our sales team as well as significant traditional and digital marketing campaigns. Our digital marketing initiatives include advertisements over the internet and developing our loan product brand recall over social media. Our traditional finance business operates through relationship managers employed by us at our various branches. Customer origination for our "Dhani" mobile application and personal loan portfolio will be through an online and mobile application based model. In order to build our presence in the physical lending space, we intend to engage commission based sourcing agentsWe also intend to market our products through television advertisements and outdoor advertisement hoardings. We have also developed product demonstration videos in vernacular languages which we plan to distribute through digital media. We propose to actively engage with consumers on the ground to facilitate easy mobile application use.

Loan Monitoring and Collections

Customers of our lending business are provided with a unique identification number to track loan repayment based on outstanding tenure of loans, number of installments due and defaults, if any. We also monitor compliance with terms and conditions of the relevant credit facilities. Accounts of borrowers with larger exposure are specifically reviewed periodically, and our collection team is responsible for following up on any delinquent borrowers.

We have established a collection team to ensure a consistent and stringent collection process. We also closely monitor our collection team in order to ensure regulatory compliant loan repayments as well as to provide quality customer service. Our collection personnel are trained to assist our customers in understanding applicable repayment options and payment modes and ensure appropriate arrangements are made for the repayment of the loan. We use various collection strategies for delinquent loans, including settlements and restructured payment plans. We may also outsource collection activities to third parties. We may engage debt collection companies or dispose of loan portfolios that we are unable to collect to such debt collection companies.

Customer Service

We believe that call centers and an emphasis on superior customer service will be significant drivers as we continue to grow our lending business and introduce our mobile application based loan processing platform "Dhani". We primarily target personal loans and loans for small businesses, and have implemented customer oriented practices including extended-hours of customer service. We continue to focus on improving customer experience and satisfaction by evaluating customer information derived from website analytics, customer satisfaction surveys, call center feedback and call monitoring. We also outsource our customer service activities to specialized agencies in order to cater to specific service customer requirements.

Treasury Operations and Funding

Treasury operations for our lending business are primarily focused on ensuring adequate funding requirements and managing short term surpluses. We have recently received a credit rating of BWR A1+ from Brickwork Ratings India Private Limited for IVLFL's proposed commercial paper up to ₹ 3,500 million. Instruments with this rating are considered to have a very strong degree of safety regarding timely servicing of financial obligations. We will continue to further diversify our borrowing portfolio and also source funds through deposits. Our treasury department also undertakes liquidity management by seeking to maintain an optimum level of liquidity and complying with the RBI's requirement for asset liability management.

Capital Adequacy Ratio

The following table sets out IVLFL's capital adequacy ratios (on a standalone basis) as of the dates indicated:

	As of March 31, 2017	**As of June 30, 2017**
	(₹ million, except ratios and percentages)	
Tier I Capital	1,833.24	10,180.23
Tier II Capital	22.96	32.17
Total Capital	1,856.21	10,212.40
Total Risk Weighted Assets	2,061.61	9,212.92
Capital Adequacy Ratio		
Tier I Capital (as a Percentage of Total Risk Weighted Assets (%))	88.92%	110.50%

	As of March 31, 2017	As of June 30, 2017
	(₹ million, except ratios and percentages)	
Tier II Capital (as a Percentage of Total Risk Weighted Assets (%))	1.11%	0.35%
Total Capital (as a Percentage of Total Risk Weighted Assets (%))	90.04%	110.85%

Asset Reconstruction Business

We are in the process of commencing our asset reconstruction business through our wholly-owned subsidiary, Indiabulls Asset Reconstruction Company Limited, or IARCL, and have recently infused equity capital of ₹ 1 billion in IARCL.

In May 2017, IARCL was granted a certificate of registration by the RBI under the provisions of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. We intend to increase our focus on the asset reconstruction business and use certain part of the net proceeds from this Issue in the asset reconstruction basis. For further information, see "*Objects of the Issue*" on page 110.

Real Estate Brokerage Services

Our real estate brokerage services is carried out through our wholly owned subsidiary IIAL, which focuses on residential real estate distribution and brokerage activities. We also have a non-discretionary wealth management business that is carried out through our wholly owned subsidiary IDSL, primarily focused on marketing real estate and home loans. Our other subsidiary Indiabulls Alternate Investments Limited carries on the business of asset management. We continue to receive fee-based income in these businesses.

With the introduction of the Indian Real Estate (Regulation and Development) Act, 2016, IIAL has been registered with the relevant Indian real estate authorities in order to carry out the business of real estate brokerage. IIAL primarily generates revenues from brokerage and commissions on property sales, through tie-ups with established real estate developers.

Erstwhile Business in India Land and Properties Limited

ILPL's business covers projects in the commercial segment of the real estate market. It was acquired by Indiabulls Distribution Services Limited, our wholly owned subsidiary, in Fiscal 2015, and was recently sold to Indiabulls Infrastructure Limited. ILPL owns a commercial property complex of three towers in Chennai, India, that has been leased out to various offices and generated a lease rental of ₹ 98.36 million, ₹ 439.19 million and ₹ 526.37 million (on a consolidated basis), in Fiscal 2015, 2016 and 2017, respectively.

Other Businesses

In additon to the principal businesses discussed above, we operate various other businesses as discussed below, through our other wholly-owned subsidiaries. However these businesses are relatively insignificant and historically have not represented a significant proportion of our revenues from operations or total assets.

Certain of our wholly-owned subsidiaries, namely, Arbutus Constructions Limited, Gyansagar Buildtech Limited, Astraea Constructions Limited, Astilbe Builders Limited, Silenus Buildtech Limited and Positive Housings Private Limited are engaged in the real estate and construction business. Another wholly-owned subsidiary, Indiabulls Infra Resources Limited carries on the business of leasing equipment for construction and infrastructure projects.

Auxesia Soft Solutions Limited is involved in hardware and software solutions business, India Ethanol and Sugar Limited carries on sugar, ethanol and derivative businesses.

Indiabulls Consumer Products Limited carries on the business in consumer products, while Indiabulls Logistics Limited provides logistics and cargo handling services.

Competition

The financial services industry is highly competitive and we expect competition to intensify in the future. Each of our key businesses competes and is expected to compete on the basis of a number of key factors.

Our brokerage and financial advisory business competes on the basis of liquidity available through our platforms, quality and speed of execution, total transaction costs, technology capabilities, particularly the efficiency and ease of our electronic and digital trading platforms, and the range of products and services offered. In addition, our brokerage business faces competition from trading businesses conducted over the phone between clients and broker-dealers, as well as from banks and other financial institutions that are permitted to facilitate broking services.

We anticipate that competitors of IVLFL, a registered NBFC, will include established Indian and foreign commercial banks, and other NBFCs. In particular, many of our competitors may have operational advantages in terms of access to cost-effective sources of funding and in implementing new technologies and rationalising related operational costs.

Our asset reconstruction business is likely to face competition from existing asset reconstruction companies that are promoted by equally established corporate houses. IARCL's competitors may also include private equity funds, hedge funds and alternative investment funds that have specialized asset reconstruction oriented investments. We anticipate that IARCL will compete on the basis of the price for distressed assets coupled with the probability of recovering or reconstructing such debt.

With the introduction of the Real Estate (Regulation and Development) Act, 2016, in India, competition in the real estate brokerage business is expected to significantly reduce with the elimination of unorganized and unauthorized brokers. That said, there will be increased competition among established real estate brokerage companies such as ours, based on competitive margins, relationships with developers, attracting new developers and marketing and sales efforts.

Insurance

We maintain a directors' and officers' liability policy to cover certain liabilities that may be imposed on our directors and officers.

Intellectual Property

As part of our lending business, IVLFL has applied for registration of certain trademarks, including, "Dhani", and "Dhani. Phone Se Loan", , for the mobile application based lending business. In addition, our Company has applied for registration of certain other trademarks, including, "Indiabulls", . For further information on our intellectual property rights, see "*Government and Other Approvals*" on page 381.

Human Resources

In addition to our full-time employees, we have arrangements with various contractors for contract labour services including for our housekeeping and manned security requirements. We believe we have healthy relationships with our employees.

Our performance appraisal system helps to analyse the qualitative aspects of our business and managerial dimensions of our employees. We also conduct trainings for our leadership, line leaders and sales force. We offer various incentives to motivate our employees and enhance their performance, including through an employees' stock option for eligible employees. For further information on our employees' stock option scheme, see "*Capital Structure*" on page 83.

Corporate Social Responsibility ("CSR")

Our CSR initiatives are carried out through the Indiabulls Foundation, a trust established for this purpose, focused on healthcare, education, art and culture, nutrition, sanitation and rural development. CSR activities conducted include free surgeries at impoverished rural areas, contributions to schools and other educational institutions across India, and animal welfare projects. We have also set up a CSR committee that is responsible for implementing our initiatives through the Indiabulls Foundation.

Property

Our registered office is located at M-62 and M-63, First Floor, Connaught Place, New Delhi – 110 001, India. We also have a corporate office in New Delhi and Mumbai, India. Our registered office, corporate offices and branches are located at premises leased or licensed to us.

REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to the business of our Company and its Subsidiaries. The main business of our Company is to provide securities broking and advisory services, and our Company is a corporate member of the capital market, wholesale debt market and derivative segment of the NSE and a corporate member of the capital market and derivative segment of the BSE. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. Taxation statutes such as the Income Tax Act, 1961 and other miscellaneous regulations apply to us as they do to any other Indian company and therefore have not been detailed below. For details of government approvals obtained by us, see "Government and Other Approvals" on page 381.

Securities Contracts (Regulation) Act, 1956

The Securities Contracts (Regulation) Act, 1956, as amended ("**SCRA**") provides for direct and indirect control of all aspects of the securities trading including the running of stock exchanges which aims to prevent undesirable transaction in securities. It gives the Central Government regulatory jurisdiction over (a) stock exchanges through a process of recognition and continued supervision, (b) contracts in securities, and (c) listing of securities on stock exchanges. As a condition of recognition, a stock exchange complies with the requirements prescribed by the Central Government.

The SCRA defines various terms in relation to securities and provides the detailed procedure for the stock exchanges to get recognition from SEBI, procedure for listing of securities of companies, and operations of the brokers in relation to purchase and sale of securities on behalf of investors.

Erstwhile, trading in commodities derivatives was governed under the Forward Contracts (Regulation) Act, 1952 ("**FCRA**") and the Forward Contracts (Regulation) Rules, 1954, and was regulated by the Forward Markets Commission established under the FCRA. Pursuant to Section 131 of the Finance Act, 2015 and Central Government Notification S.O. 2362 (E) dated August 28, 2015, all recognized associations (commodity derivatives exchanges) under the FCRA were deemed to be recognized stock exchanges under the SCRA with effect from September 28, 2015, and accordingly a trading cum clearing member or an institutional clearing member of such an exchange will be required to comply with applicable rules and regulations prescribed by SEBI and other applicable laws.

Depository Regulations

The Depositories Act, 1996

The Depositories Act, 1996, as amended ("**Depositories Act**") provides for the regulation of depositories in securities with the objective of ensuring free transferability of securities with speed, accuracy and security by (a) making securities of public limited companies freely transferable subject to certain exceptions; (b) dematerializing the securities in the depository mode; and (c) providing for maintenance of ownership records in a book entry form. Every person subscribing to securities offered by an issuer has the option either to receive the security certificates or hold securities with a depository.

All securities held by a depository are required to be de-materialized and in a fungible form. A depository, after obtaining a certificate of commencement of business from SEBI can enter into an agreement with one or more participants as its agent. Any person, through a participant, may enter into an agreement with any depository for availing its services.

The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996

The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended ("**SEBI Depositories Regulations**") contain the eligibility criteria and the procedure for obtaining the certificate of registration to carry on business as a depository participant.

Entities desiring to become depository participants must apply to the depository and are required to be recommended to SEBI by the depository. If approved and registered by SEBI, the depository participant can be admitted on the depository. The depository has to formulate its own set of criteria for selection of participants. Every participant holding a certificate is required at all times to abide by the code of conduct prescribed under the SEBI Depositories Regulations. The SEBI Depositories Regulations require the depository to list out, through its bye-laws, the securities which are eligible to be admitted to the depository for dematerialization. Equity shares, debentures, warrants, bonds, units of mutual funds, amongst others are part of the list of eligible securities. The depository is empowered to set its own criteria for selection of securities and make securities eligible to be maintained in the form of electronic holdings on the depository.

The Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992

The Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992, as amended (the "**Stock Broker Regulations**") provide that no person shall carry on activity as a stock broker unless he holds a certificate granted by SEBI under the Stock Broker Regulations. The Stock Broker Regulations stipulate the eligibility criteria, conditions and the procedure required to be satisfied in order to obtain the certificate of registration.

Apart from the registration of stock brokers and sub-brokers, the Stock Broker Regulations provide for the registration of trading or clearing members and self-clearing members.

- A trading member is a member of the derivatives exchange or derivatives segment of a stock exchange and who settles the trade in the clearing corporation or clearing house through a clearing member.
- A clearing member is a member of a clearing corporation or clearing house of the derivative exchange or derivatives segment of an exchange, which clears and settles transactions in securities.
- A self-clearing member is a member of a clearing corporation or clearing house of the derivatives exchange or derivatives segment of a stock exchange who may clear and settle transactions on its own account or on account of its clients only, and shall not clear or settle transactions in securities for any other trading member(s)

Further, the Stock Broker Regulations prescribe a code of conduct to be adhered to by the trading and clearing members. The schedules to the Stock Broker Regulations prescribe the net worth and deposit requirements to be maintained by stock brokers or clearing members dealing or settling trades in the commodity derivatives market and for markets other than the commodity derivatives market.

The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993

The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, as amended ("**Portfolio Managers Regulations**") provide that no person shall carry on activity as a portfolio manager unless he holds a certificate granted by SEBI under the Portfolio Managers Regulations. Chapter I of the Portfolio Managers Regulations contains preliminary matters and definitions. Chapter II consists regulations 3 to 12 which deal with the procedure for registration of portfolio managers. Regulation 3 provides that a person shall not act as portfolio manager unless he holds a certificate granted by SEBI under these regulations. Regulation 3A lays down that an application by a portfolio manager for grant of the certificate shall be made to SEBI in the prescribed form-A and shall be accompanied by a non-refundable application fee, as specified in Clause (1) of Schedule II, to be paid in the manner specified in Part B thereof. Incomplete applications shall be rejected after the applicant is given an opportunity to remove within the time specified such objections on the application as may be indicated by SEBI. Before disposing the application, SEBI may require the applicant to furnish further information or clarification and the applicant or its principal officer who is mainly responsible for the activities as a portfolio manager, shall appear before SEBI to make a personal representation, if required.

Internet Trading Regulations

Internet based trading was approved by SEBI through its circular no. SMDRP/POLICY/CIR-06/2000 dated January 31, 2000 under which stock-brokers registered with SEBI and who is interested in providing internet based trading services must obtain permission from the concerned stock exchanges. Prior to the grant of the permission, the concerned stock exchange will have to ensure that certain minimum conditions such as a minimum net worth of ₹5 million, security and confidentiality of the data used by the broker by the use of encryption technology, adequate backup systems and data storage capacity are adhered to. The web site of the broker who is providing such a facility should contain information for investor protection together with certain other mandatory security features. Further, SEBI through its circulars no. CIR/MRD/DP/25/2010, dated August 27, 2010 and CIR/MRD/DP/ 8 /2011 dated June 30, 2011 came up with requirements to set up a security framework for securities trading over the internet using wireless technology, pursuant to the circular, the stock exchanges are required to ensure that safety and client authentication and identification methods are put in place by the stock brokers. Also the stock exchanges are required to have certain systems in place for handling of complaints. Implementation of a two factor authentication process for login sessions, for all orders emanating using internet protocol have been incorporated in the security framework. Further, the brokers are required to capture the IP address (from where the orders are originating), for all Internet Based Trading/ Securities Trading using Wireless Technology orders, and are required to have adequate safety features to ensure it is not susceptible to internal and/or external attacks. SEBI, with a view to consolidate the various circulars regarding online trading and the framework issued a master circular CIR/MRD/DP/17/2014 dated May 20, 2014. This circular has been superseded by the master circular no. CIR/MRD/DP/9/2015 dated May 26, 2015 which provides an updated set of guidelines for internet trading, electronic contract notes, straight-through processing mechanism, algorithmic trading and smart order routing. The primary agenda sought to be achieved by the implementation of this legal framework, has been to reduce the risk of market manipulation through the route of online trading and to re-enforce investor confidence in the online mechanism, which facilitate trading of marketable securities.

Underwriting

The SEBI (Underwriters) Regulations, 1993, as amended from time to time ("**Underwriters Regulations**") provides that no person shall act as underwriter unless he holds a certificate granted by SEBI under the Underwriters Regulations. Furthermore it also provides that every stock broker or merchant banker holding a valid certificate of registration under Section 12 of the Securities and Exchange Board of India Act, 1992, as amended (the "**SEBI Act**") shall be entitled to act as an underwriter without obtaining a separate certificate under the Underwriters Regulations. Further, the Underwriters Regulations provide for the procedure for application, registration and renewal of the certificate of registration. The net worth of the applicant should not be less than ₹2 million. Every underwriter shall at all times abide by the code of conduct as specified in Schedule III of the Underwriters Regulations.

Merchant Banking

The Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992

No merchant banking activities can be carried out by any person as a merchant banker unless he holds a certificate granted by SEBI under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended from time to time ("**Merchant Banker Regulations**"). Further, the Merchant Banker Regulations provides the eligibility criteria, procedure for obtaining the certificate of registration to carry on business as a merchant banker. Based on the satisfaction of the specified capital adequacy requirement of₹50 million by an entity seeking registration as a merchant banker, SEBI grants registration for merchant banking activities.

According to the category identified, the merchant bankers are permitted to carry out certain activities as are prescribed in the Merchant Banker Regulations. Further, the merchant bankers are required to adhere to a code of conduct prescribed under the Merchant Banker Regulations.

Mutual Funds

The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996

The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 govern the law pertaining to the business of mutual funds in India. SEBI, with a view to improving professional standards, has made it mandatory for all mutual funds to appoint agents/distributors who have obtained certification from the Association of Mutual Funds in India ("**AMFI**"). In case of firms and/or companies, the requirement of certification is made applicable to the persons engaged in sales and marketing.

The AMFI in India has issued guidelines in consonance with the SEBI master circular on mutual funds, as was last amended by SEBI/HO/IMD/DF3/CIR/P/2016/84 dated September 14, 2016 in this regard ("**Mutual Funds Circular**"). The primary objective of the Mutual Funds Circular issued through the above mentioned master circular is to ensure that mutual funds do not use unethical means to sell market or induce any investor to buy units of their scheme(s) and mobilize funds on the strength of professional fund management and practice as well as sound risk management policies. The compliance of these guidelines is mandatory for mutual funds, and they are required to be complied with, both, by intermediaries distributing their products and sub-broker acting on behalf of such intermediaries.

Regulations governing Asset Reconstruction Companies

Asset Reconstruction Companies ("**ARCs**") are those companies which are registered with the RBI under Section 3 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, as amended (the "**SARFAESI Act**"). The SARFAESI Act was enacted to regulate securitisation and reconstruction of financial assets, enforcement of security interest and for matters connected therewith. It gives detailed provisions for the formation of Securitization Companies ("**SCs**") and Reconstruction Companies ("**RCs**"), scope of their activities, capital requirements, funding and such other incidental matters. Several provisions of the SARFAESI Act give directives and powers to various institutions to manage the bad asset problem.

RBI has issued the Securitisation Companies and Reconstruction Companies (Reserve Bank) Guidelines and Directions, 2003 ("**RBI Securitisation Directions**"), amended by the master circular no. DNBR.(PD).CC.No.03/SCRC/26.03.001/2015-16 dated July 1, 2015 for the purpose of enabling the Reserve Bank to regulate the financial system to the advantage of the country and to prevent the affairs of any SC or RC from being conducted in a manner detrimental to the interest of investors or in any manner prejudicial to the interest of such SC or RC. The Guidelines and Directions relate to registration, measures of asset reconstruction, functions of the company, prudential norms, acquisition of financial assets and matters related thereto.

Pursuant to RBI Notification dated April 28, 2017, the minimum net owned fund requirement for ARCs has been increased to ₹1,000 million on an ongoing basis.

Foreign investment in an ARC registered with the RBI is allowed up to 100% as mentioned in the FDI Policy, 2017, under the automatic route. All investments would be subject to provisions of the SARFAESI Act.

The Reserve Bank of India Act, 1934

The RBI is entrusted with responsibility of regulating and supervising activities of NBFCs by virtue of power vested in Chapter III B of the Reserve Bank of India Act, 1934, as amended ("**RBI Act**"). The RBI Act defines an NBFC under Section 45-I (f) as:

- "a financial institution which is a company;
- a non-banking institution which is a company and which has as its principal business the receiving of deposits, under any scheme or arrangement or in any other manner, or lending in any manner; and
- and such other non-banking institution or class of such institutions as the RBI may, with the previous approval of the Central Government and by notification in the Official Gazette, specify."

"Financial institution" and "non- banking institution" have been defined under sections 45 I (c) and 45 I (e) of the RBI Act, respectively.

As per the RBI Act, a 'financial institution' has been defined as a company which includes a non-banking institution carrying on as its business or part of its business the financing activities, whether by way of making loans or advances or otherwise, of any activity, other than its own and it is engaged in the activities of loans and advances, acquisition of shares/ stock/ bonds/ debentures/ securities issued by the Government of India or other local authorities or other marketable securities of like nature, leasing, hire-purchase, insurance business, chit business but does not include any institution whose principal business is that of carrying out any agricultural or industrial activities or the sale/purchase/construction of immovable property.

With effect from 1997, NBFCs were not permitted to commence or carry on the business of a non-banking financial institution without obtaining a Certificate of Registration ("**CoR**").

NBFCs are primarily governed by the RBI Act, the Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, as amended (the "**Prudential Norms**"), the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998, as amended ("**Public Deposit Directions**"). In addition to these regulations, NBFCs are also governed by various circulars, notifications, guidelines and directions issued by the RBI from time to time.

Regulation of Foreign Investment in India

Foreign investment in Indian securities is governed by the provisions of the Foreign Exchange Management Act, 1999, as amended ("**FEMA**") read with the applicable FEMA Regulations along with the RBI master circular number 15/2015-16 on foreign investments dated July 1, 2015. The Foreign Direct Investment ("**FDI**") Policy of 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**") with effect from August 28, 2017 ("**FDI Policy 2017**"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by DIPP. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, FDI Policy 2017 will be valid until DIPP issues an updated circular.

Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, where approval from the Government of India or the Reserve Bank of India ("**RBI**") is required, depending upon the sector in which foreign investment is sought to be made.

Under the automatic route, the foreign investor or the Indian company does not require any approval from the RBI or Government of India for investments. Under the approval route, prior approval of the Government of India through individual line ministries is required. Where FDI is allowed on an automatic basis without the prior approval, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment.

Foreign Investment

Foreign investment is permitted up to 100% under the automatic route for all financial service activities which are regulated by financial sector regulators, including, the RBI, SEBI, Insurance Regulatory and Development Authority, the Pension Fund Regulatory and Development Authority, the National Housing Bank or any other financial sector regulator as may be notified by the Government of India.

Other Conditions:

- Foreign investment in financial services activities shall be subject to conditionalities, including minimum capitalization norms, as specified by the concerned regulator or government agency.
- Government approval shall be required for FDI in financial services activities if they are not regulated, partly regulated or there is ambiguity as to whether they are being regulated; by a financial sector regulator or not.
- For any activity which is specifically regulated by a legislation, the foreign investment limits will be restricted to those limit that may be specified in that particular legislation, if so mentioned.

- Downstream investments by any of these entities engaged in financial services will be subject to the extant sectoral regulations and provisions of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, as amended from time to time.

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, ("**Insider Trading Regulations**") prohibits subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, or deal in any securities by an insider on the basis of having possession or access to the unpublished price sensitive information of a listed entity. An insider is a person who is connected with the company and is reasonably expected to have certain price sensitive information in respect of the securities of the company or has received or has access to certain unpublished price sensitive information. In accordance with the Insider Trading Regulations, no insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person. Any information is referred to as price sensitive information if it is likely to materially affect the price of the securities of the company to which it relates.

The Insider Trading Regulations essentially prescribes a model code of conduct to be followed by all companies and organisations associated with the securities markets. Under the Insider Trading Regulations, all listed companies and organisations associated with the securities market including, amongst other, intermediaries as defined under the SEBI Act, asset management companies, trustees of mutual funds are under an obligation to formulate certain internal procedures and conduct following the model code of conduct as provided under the Insider Trading Regulations and will further abide with the code of corporate disclosure practices.

The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014

Foreign Portfolio Investors ("**FPIs**") including institutions such as pension funds, investment trusts, asset management companies, nominee companies and incorporated/institutional portfolio managers are allowed to make portfolio investments in all securities of listed and unlisted companies in India. Investments by registered FPIs or non-resident Indians made through a stock exchange are known as portfolio investments. Foreign investors wishing to invest and trade in Indian securities in India under the portfolio investment route are required to register with SEBI under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended (the "**FPI Regulations**"). With the enactment of the FPI Regulations, all qualified foreign investors and Foreign Institutional Investors ("**FII**") accounts and sub accounts have been sought to be included in the wider definition of FPI. All FPI's under the FPI Regulations shall get a single window clearance from the Designated Depository Participants ("**DDP**") authorized by SEBI which will register FPIs on behalf of SEBI. However, FII and sub accounts can continue to trade on the old certificates until they expire or they procure a registration under the FPI Regulations, whichever is earlier.

FPI Regulations divide the FPI's into the following three categories:

- **Category 1 FPI** includes government and government-related investors such as central banks, governmental agencies, sovereign wealth funds or international and multilateral organizations or agencies;

- **Category 2 FPI** includes appropriately regulated broad based funds, appropriately regulated persons, broad based funds that are not appropriately regulated, university funds and pension funds and university related endowments already registered with SEBI as FIIs or sub-accounts; and

- **Category 3 FPI** includes all others which are not eligible under Category I and II foreign portfolio investors such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices.

FPIs that are registered with SEBI are required to comply with the provisions of the FPI Regulations. A registered FPI may buy, subject to certain ownership restrictions, and sell freely, securities issued by any Indian company (excluding companies in certain sectors). The total holding of each FPI or SEBI approved sub-account shall not exceed 10% of the total paid-up capital of an Indian company and the total holdings of all FPI/sub-accounts of FPIs aggregated shall not exceed 24% of the paid-up capital. The threshold of 24% can be increased to the sectoral cap or statutory limit applicable to the Indian company concerned by resolution of such company's board of directors followed by the passing of a special resolution by such company.

Stock Exchange Rules, Regulations and Bye-laws

Being a trading member of different stock exchanges, we are governed by the rules, regulations and the bye laws of the exchange as amended from time to time. Each stock exchange is empowered under the SCRA to make its own bye-laws / rules to deal with its members and also the regulations to govern / regulate the relations between the members and the constituent.

Labour Law Regulations

Some of the labour laws applicable to the company and its workforce have been discussed below:

Employees (Provident Fund and Miscellaneous Provisions) Act, 1952

The Employees (Provident Fund and Miscellaneous Provisions) Act, 1952, as amended ("**EPF Act**") applies to establishments employing over 20 employees and such other establishments and industrial undertakings as notified by the Government of India from time to time. It requires all such establishments to be registered with the state provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees' provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the state provident fund commissioner.

Employees State Insurance Act, 1948

The Employees State Insurance Act, 1948, as amended (the "**ESI Act**") provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972, as amended, (the "**Gratuity Act**") establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which 10 or more persons are employed or were employed on any day of the preceding 12 months and in such other establishments in which 10 or more employees are employed or were employed on any day of the preceding 12 months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed ₹1 million.

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948, as amended, provides a framework for state governments to stipulate the minimum wage applicable to a particular industry. The minimum wage may consist of a basic rate of wages and a special allowance; or a basic rate of wages and the cash value of the concessions in respect of supplies of essential commodities; or an all-inclusive rate allowing for the basic rate, the cost of living allowance and the cash value of the concessions, if any. Workmen are to be paid for overtime at overtime rates stipulated by the appropriate government. Contravention of the provisions of this legislation may result in imprisonment for a term up to six months or a fine up to ₹500 or both.

Industrial Disputes Act, 1947

The Industrial Disputes Act, 1947, as amended, provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate government may refer the dispute to a labour court, tribunal or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workmen.

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965, as amended, provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

The Contract Labour (Regulation and Abolition) Act, 1970

Our Company uses the services of certain licensed contractors who in turn employ contract labour whose number exceeds 20. Accordingly, our Company is regulated by the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, as amended ("**CLRA**") which requires our Company to be registered as a principal employer and prescribes certain obligations with respect to welfare and health of contract labour. The CLRA requires the principal employer of an establishment to which the CLRA applies to make an application to the concerned officer for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

The Shops and Establishments Act

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

Intellectual Property

Trade Marks Act, 1999

The Trade Mark Act, 1999 which came into force on December 30, 1999 govern the law pertaining to trade marks in India. A trade mark is essentially any mark capable of being represented graphically and distinguishing goods or services of one person from those of others and includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or combination thereof. Once a mark is registered, it is valid in India only, for a period of 10 years and can be renewed from time to time in perpetuity. Registration of a trademark grants the owner a right to exclusively use the trademark as a mark of goods and services and prevents the fraudulent use of deceptively similar marks by any third party.

HISTORY AND CERTAIN CORPORATE MATTERS

BRIEF HISTORY OF OUR COMPANY

Our Company was incorporated as 'GPF Securities Private Limited' on June 9, 1995 at Delhi and Haryana as a private limited company under the Companies Act, 1956. The name of our Company was changed to 'Orbis Securities Private Limited' and a fresh certificate of incorporation consequent upon change of name was issued on December 15, 1995. The name of our Company was changed from 'GPF Securities Private Limited' to 'Orbis Securities Private Limited' since the promoter company changed its name from Global Projects and Finance Limited to Orbis Finance Limited. Our Company was converted into a public limited company consequent to a special resolution passed by our Shareholders at the EGM held on October 31, 2003 and the name of our Company was changed to 'Orbis Securities Limited'. A fresh certificate of incorporation consequent upon conversion to public limited company was issued on January 5, 2004. The name of our Company was further changed to 'Indiabulls Securities Limited' and a fresh certificate of incorporation consequent upon change of name was issued on February 16, 2004. The name of our Company was changed from 'Orbis Securities Limited' to 'Indiabulls Securities Limited' since the Company was working under the brand name of "Indiabulls" for the last four years. Subsequently, the name of our Company was changed to 'Indiabulls Ventures Limited' and a fresh certificate of incorporation consequent upon change of name was issued on March 12, 2015. The name of our Company was changed from 'Indiabulls Securities Limited' to 'Indiabulls Ventures Limited' to reflect various referral business activities carried out by us and the word 'Ventures' signifies the summarized expression of the various activities carried out by us.

Mr. Sameer Gehlaut alongwith Mr Rajiv Rattan and Mr Saurabh Mittal became the promoters of our Company, effective from December 24, 2007, pursuant to the Scheme of Amalgamation. Prior to the Scheme of Amalgamation, IBFSL was the promoter of our Company since April 2, 2001. Pursuant to the Scheme of Amalgamation, our Company was demerged from its holding company, IBFSL (holding 100% shareholding in our Company), with the entire shareholding of IBFSL in our Company being extinguished. Fresh shares were thereafter issued to the shareholders of IBFSL pursuant to the Scheme of Amalgamation. To impart greater focus and undivided accountability at the leadership level and to rationalize operations of the diverse businesses, so as to put our Company firmly on the growth path, the erstwhile promoters and our individual Promoter mutually decided to reorganize the management control of different group companies amongst themselves. As part of the restructuring, with effect from July 18, 2014, Mr. Rajiv Rattan, Priapus Land Development Private Limited, Inuus Constructions Private Limited, Mr. Saurabh Kumar Mittal, Hespera Land Development Private Limited and Hespera Constructions Private Limited ceased to be the promoters/promoter group/ persons acting in concert with the Promoters of our Company.

For a description of our business, see "*Our Business*" on page 139.

For a description of schemes of arrangements involving our Company, see "– *Acquisition of Business, Mergers, and Amalgamations*" on page 181.

For a description of our Company's profile, activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, major vendors and suppliers, see "*Our Management*", "*Our Business*" and "*Industry Overview*" on pages 183, 139 and 54, respectively.

CHANGES IN REGISTERED OFFICE

The details of changes in the registered office of our Company are given below:

Date of change of registered office	Details of the address of registered office
November 30, 1995	From Room No. 122, Lodhi Hotel, Lala Lajpatrai Marg, New Delhi – 110 049, India to A-47, South extension Part-II, First Floor, New Delhi – 110 049, India.
December 2, 1998	From A-47, South extension Part-II, First Floor, New

Date of change of registered office	Details of the address of registered office
	Delhi – 110 049, India to B-502, Rishi Apartments, Alaknanda, New Delhi – 110 019, India.
June 26, 1999	From B-502, Rishi Apartments, Alaknanda, New Delhi – 110 019, India to T-7, Anupam Plaza, behind Hauz Khas Bus Terminal, New Delhi – 110 016, India.
December 7, 1999	From T-7, Anupam Plaza, behind Hauz Khas Bus Terminal, New Delhi – 110 016, India to B-4/221, Safdurjung Development Area, New Delhi - 110 029, India.
May 11, 2000	Pursuant to the Board resolution dated May 11, 2000, our registered office was shifted from B-4/221, Safdurjung Development Area, New Delhi - 110 029, India to Flat No. 607, Sixth Floor Som Dutt Chambers –II No. 9, Bhikaji Cama Place, New Delhi, India.
October 10, 2000	From Flat No. 607, Sixth Floor Som Dutt Chambers –II No. 9, Bhikaji Cama Place, New Delhi, India to 7A, Kashi House, Connaught Circus, New Delhi – 110 001, India.
July 9, 2002	From 7A, Kashi House, Connaught Circus, New Delhi – 110 001, India to F-60, Malhotra Building, Second Floor, Connaught Place, New Delhi – 110 001, India.
October 1, 2013	From F-60, Malhotra Building, Second Floor, Connaught Place, New Delhi – 110 001, India to M-62 & 63, First Floor, Connaught Place, New Delhi – 110 001, India.

The changes in the Registered Office of our Company were made to ensure greater operational efficiency and to meet growing business requirements.

MEMORANDUM OF ASSOCIATION OF OUR COMPANY

Main objects of our Company

The main objects contained in the Memorandum of Association are as follows:

"*1.* *To carry on the business of stock and share broking and its allied matters such as acting as underwriters, sub-underwriters, brokers to issue of securities, dealers in securities, buying, selling transferring, hypothecating and holding of Shares, Debentures of all kinds and description for the purpose of issue of Shares/Debentures and Securities of all kinds, Lead Managers or Co-Managers, brokers and sub-Brokers of Stocks and new Issues of Shares, Debentures and Securities of all kinds and description, Registrars to the Issue of Securities, Share Transfer Agents, Investment Business, Portfolio Management, Corporate Counseling, Investment Counseling, Fixed Deposit Brokers, Inter Corporate Investment Canvassers, Financial Consultants, Discount Brokers, Advisors and Consultants to the Issue of Securities of all kinds and type in all their aspects in India or outside and to manage/ arrange mergers and acquisitions and to carry out the activities of a Depository Participant.*

2. *To invest in, acquire and hold, buy or sell or otherwise dispose off or deal in securities of any kind, Shares, Debentures, Debenture Stocks, Securities, Properties, Bonds, Units, Obligations, and Securities, issued or guaranteed by any Government, State, Union Territory, Municipal or Civic Body, Financial Institutions, Commercial Papers, Negotiable Instruments, and Paper Instruments of all types and kinds*

3. *To manage the funds of investors by investment in various avenues and to act as portfolio managers and to pass on the benefits of such investments to the investors by way of dividends, bonus, interest* *or share in profit, provide a complete range of personal financial services like investment planning, estate planning, tax planning, portfolio investment, investment consultancy services and/ or to operate on the stock exchanges in India and operate on Over the Counter Exchanges in India (OTCEI) and National Stock Exchange as member, broker, market maker or financial intermediary and in other business for which authorization/ approval/ sanction is obtained from the Securities Exchange Board of India or any other appropriate authority."*

The objects incidental or ancillary to the attainment of the main objects amongst other things include, to invest other than investment in company's own shares and deal with the money of the Company not immediately required in any manner as may, from time to time, be determined by the Board. The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out. The objects incidental or ancillary to the attainment of the main objects allows our Company to carry out the activities proposed to be undertaken pursuant to the objects of the Issue. For further details, see "*Objects of the Issue*" on page 110.

Amendments to the Memorandum of Association

Set out below are the amendments to the Memorandum of Association since the incorporation of our Company:

Date of Shareholders' Resolution*	Particulars
November 1, 1995	Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of ₹10 million divided into 1,000,000 equity shares of ₹10 each to ₹15 million divided into 1,500,000 equity shares of ₹10 each.
November 30, 1995	Clause I of the Memorandum of Association was amended to reflect the new name of our Company, 'Orbis Securities Private Limited'.
July 16, 1996	Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of ₹15 million divided into 1,500,000 equity shares of ₹10 each to ₹30 million divided into 3,000,000 equity shares of ₹10 each.
March 30, 2001	Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of ₹30 million divided into 3,000,000 equity shares of ₹10 each to ₹180 million divided into 18,000,000 equity shares of ₹10 each.
October 31, 2003	Clause I of the Memorandum of Association was amended to reflect the new name of our Company, 'Orbis Securities Limited'.
January 22, 2004	Clause I of the Memorandum of Association was amended to reflect the new name of our Company, 'Indiabulls Securities Limited'.
February 11, 2004	Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of ₹180 million divided into 18,000,000 equity shares of ₹10 each to ₹650 million comprising of 19,000,000 equity shares of ₹10 each and 46,000,000 redeemable cumulative preference shares of ₹10 each.
December 8, 2009	Clause V of Memorandum of Association was amended to reflect the increase in the authorised share capital of ₹650 million comprising of 19,000,000 equity shares of ₹10 each and 46,000,000 redeemable cumulative preference shares of ₹10 each to ₹1,115.25 million divided into 500,000,000 Equity Shares of face value of ₹2 each and 25,000,000 Preference Shares of face value of ₹4.61 each.
March 4, 2015	Clause I of the Memorandum of Association was amended to reflect the new name of our Company, 'Indiabulls Ventures Limited'.

**The Board of Directors of our Company pursuant to their meeting dated August 28, 2017, approved the reclassification and increase of the authorised share capital of our Company from ₹1,115,250,000 divided into 500,000,000 Equity Shares and 25,000,000 Preference Shares, to ₹2,000,000,000 divided into 1,000,000,000 Equity Shares, subject to approval of the Shareholders at the AGM proposed to be held on September 29, 2017.*

MAJOR EVENTS AND MILESTONES OF OUR COMPANY

The table below sets forth the key events in the history of our Company:

Financial Year	Particulars
2017	CRISIL reaffirmed a rating of BQ1 for quality of operations and service provided by a graded broker.
2018	IARCL was granted the certificate of registration by the RBI under section 3 of the SARFAESI Act, 2002 on May 19, 2017.
2018	The networth of IVLFL was increased to ₹10,000 million on June 7, 2017, pursuant to capital investments from our Company.

OTHER DETAILS REGARDING OUR COMPANY

For details regarding the description of our activities, the growth of our Company, services offered by our Company, market of each segment, facility creation, market capacity build-up, environmental issues, marketing and competition, see "*Our Business*" and "*Industry Overview*" on pages 139 and 54 respectively.

For details regarding our management and its managerial competence, see "*Our Management*" on page 183.

Strikes, lock-outs, injunctions, and restraining orders

There have been no lock-outs or strikes at any time in our Company and our Company is not operating under any injunction or restraining order.

Capital raising activities through equity and debt

Except as mentioned in "*Capital Structure*" on page 83, our Company has not raised any capital through equity. For details of the outstanding debt facilities of our Company, see "*Financial Indebtedness*" and "*Financial Statements*" on page 360 and 216, respectively.

Defaults or rescheduling of borrowings with financial institutions / banks and conversion of loans into equity

There have been no defaults or rescheduling of borrowings with financial institutions / banks in respect of our current borrowings from lenders. None of our outstanding loans have been converted into Equity Shares.

Time and cost overruns

There have been no instances of significant time and cost overruns in the development or construction of any of our projects or establishments.

Changes in the activities of our Company during the last five years

There has been no change in the activities of our Company during the last five years which may have had a material effect on the profit / loss account of our Company, including discontinuance of a line of business, loss of agencies or markets and similar factors. For details, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 139 and 334, respectively.

Interest in our Company

None of our Subsidiaries have any interest in our Company's business other than as stated in "*Our Business*" and "*Financial Statements*" on pages 139 and 216, respectively.

Our Shareholders

Our Company has 83,951 Shareholders as on September 27, 2017. For further details regarding our Shareholders, see "*Capital Structure – Shareholding Pattern of our Company*" on page 94.

Strategic or Financial Partners

Our Company does not have any strategic or financial partner.

Our Holding Company

Our Company does not have a holding company.

OUR SUBSIDIARIES

Our Company has twenty Subsidiaries. Unless stated otherwise, information in relation to our Subsidiaries is as on the date of this Draft Letter of Offer.

(a) IVL Finance Limited ("IVLFL")

Corporate Information

IVLFL was incorporated as 'Malpani Securities Private Limited' on October 27, 1994 as a private limited company under the Companies Act, 1956. The name was changed to 'Shivshakti Financial Services Private Limited' and a fresh certificate of incorporation consequent upon change of name was issued on January 13, 2010. Further, the company was converted into a public limited company and the name was changed to 'Shivshakti Financial Services Limited'. A fresh certificate of incorporation consequent upon conversion to public limited company was issued on February 5, 2015. Subsequently the name of the company was further changed to IVLFL and a fresh certificate of incorporation consequent upon change of name was issued on October 19, 2016.

IVLFL was originally granted a certificate of registration on May 30, 1998 under the name of 'Malpani Securities Private Limited' to carry on the business of non-banking financial institution without accepting public deposits ("**NBFC-ND**"). The name was changed to 'Shivshakti Financial Services Private Limited' and certificate of registration dated April 10, 2010 was granted by RBI to carry on the business of NBFC-ND. Further, the name of IVLFL was changed to 'Shivshakti Financial Services Limited' and certificate of registration dated March 19, 2015 was granted by RBI to carry on the business of NBFC-ND. Subsequently, certificate of registration dated December 13, 2016 was granted by RBI to IVLFL to carry on the business of NBFC-ND, pursuant to change of name to IVL Finance Limited. The corporate identification number of IVLFL is U74899DL1994PLC062407. The registered office of IVLFL is located at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

IVLFL was a wholly owned subsidiary of Indiabulls Distribution Services Limited, and a step down subsidiary of our Company. Our Company acquired 100% equity shareholding in IVLFL from IDSL in Fiscal 2018, resulting in IVLFL becoming wholly owned subsidiary of our Company,

IVLFL is authorized to engage in the business of carrying on stock and share broking, merchant banking and financing business, investing, acquiring, holding, buying, selling or disposing off or dealing in any kind of securities issued by any government body or financial institution and holding investments in various step down subsidiaries.

IVLFL is currently involved in the lending business of as a non-banking financial company.

Capital Structure

The authorised share capital of IVLFL is ₹640 million divided into 58,500,000 equity shares of face value of ₹10 each and 5,500,000 preference shares of face value of ₹10 each. The issued, paid-up, and subscribed share capital of IVLFL is ₹226 million, divided into 17,100,000 equity shares of face value ₹10 each and 5,500,000 preference shares of face value of ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of IVLFL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Ventures Limited	17,099,994	100
2.	Sanjeev Kashyap*	1	Negligible
3.	Ravinder*	1	Negligible
4.	Anil Malhan*	1	Negligible
5.	Satish Chand*	1	Negligible
6.	Matbeer Singh*	1	Negligible
7.	Pankaj Sharma*	1	Negligible
TOTAL		**17,100,000**	**100**

**Nominee of our Company.*

Sr. No.	Name of the shareholder	No. of preference shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Distribution Services Limited	5,500,000	100
TOTAL		**5,500,000**	**100**

(b) Pushpanjli Finsolutions Limited ("PFIL")

Corporate Information

PFIL was incorporated as 'Pushpanjli Finsolutions Private Limited' on December 11, 2009 as a private limited company under the Companies Act, 1956. Subsequently a fresh certificate of incorporation consequent upon conversion to public limited company was issued on February 5, 2015. The corporate identification number of PFIL is U67190DL2009PLC196822. The registered office of PFL is located at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

PFIL is authorized to engage in the business of providing all type of consultancy relating to investment, acquiring, holding, procuring and purchasing, equities shares, stocks, debentures, bonds, obligations and all types of securities and advising and assisting on all aspects of corporate, commercial and industrial management, and portfolio investment.

PFIL is currently involved in the business of providing consultancy services relating to investment activities in equity shares, stocks, debentures, bonds, obligations and all types of securities.

Capital Structure

The authorised share capital of PFIL is ₹67.60 million divided into 6,010,000 equity shares of face value of ₹10 each and 750,000 preference shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of PFIL is ₹60,100,000, divided into 6,010,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of PFIL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Distribution Services Limited	6,009,994	100
2.	Sanjeev Kashyap*	1	Negligible
3.	Ravinder*	1	Negligible
4.	Anil Malhan*	1	Negligible
5.	Satish Chand*	1	Negligible
6.	Matbeer Singh*	1	Negligible
7.	Pankaj Sharma*	1	Negligible
TOTAL		**6,010,000**	**100**

**Nominee of Indiabulls Distribution Services Limited*

(c) Pushpanjli Fincon Limited ("PFL")

Corporate Information

PFL was incorporated as 'Pushpanjli Fincon Private Limited' on December 22, 2009 as a private limited company under the Companies Act, 1956. Subsequently a fresh certificate of incorporation consequent upon conversion to public limited company was issued on November 14, 2014. The corporate identification number of PFL is U67190DL2009PLC197255. The registered office of PFL is located at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

PFL is authorized to engage in the business of providing all type of consultancy relating to investment, acquiring, holding, procuring and purchasing, equities shares, stocks, debentures, bonds, obligations and all types of securities and advising and assisting on all aspects of corporate, commercial and industrial management, and portfolio investment.

PFL is currently involved in the business of providing consultancy and financial advisory services.

Capital Structure

The authorised share capital of PFL is ₹80.10 million divided into 4,010,000 equity shares of face value of ₹10 each and 4,000,000 preference shares of face value of ₹10, and the issued, paid-up, and subscribed share capital of PFL is ₹40.10 million, divided into 4,010,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of PFL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Gyansagar Buildtech Limited	2,004,998	50
2.	Arbutus Constructions Limited	2,004,997	50
3.	Ravinder*	1	Negligible
4.	Sanjeev Kashyap*	1	Negligible
5.	Anil Malhan**	1	Negligible
6.	Satish Chand**	1	Negligible
7.	Matbeer Singh**	1	Negligible
TOTAL		**4,010,000**	**100**

**Nominee of Gyansagar Buildtech Limited.*

***Nominee of Arbutus Constructions Limited*

(d) Arbutus Constructions Limited ("ACL")

Corporate Information

ACL was incorporated as 'Arbutus Constructions Private Limited' on September 16, 2010 as a private limited company under the Companies Act, 1956. Subsequently a fresh certificate of incorporation consequent upon conversion to public limited company was issued on November 14, 2014. The corporate identification number of ACL is U70101DL2010PLC208342. The registered office of ACL is located at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

ACL is authorized to engage in the business of carrying on the business of development of infrastructure, builders, contractors and purchasing, selling, developing, hiring, constructing, acquiring or dealing in real estate, moveable, immoveable properties and renting, letting on hire, managing them and acting as a real estate agent. ACL is also engaged in the business of preparing estimates, designs, plans, specifications or models in connection with laying, developing, constructing, building, erecting, demolishing, altering, and repairing any structural work.

ACL is currently involved in the business of construction and development of real estate.

Capital Structure

The authorised share capital of ACL is ₹2.11 million divided into 110,500 equity shares of face value of ₹10 each and 100,000 preference shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of ACL is ₹1.10 million, divided into 110,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of ACL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Devata Tradelink Limited	109,994	100
2.	Sanjeev Kashyap*	1	Negligible
3.	Ravinder*	1	Negligible
4.	Anil Malhan*	1	Negligible
5.	Satish Chand*	1	Negligible
6.	Matbeer Singh*	1	Negligible
7.	Pankaj Sharma*	1	Negligible
TOTAL		**110,000**	**100**

**Nominee of Devata Tradelink Limited.*

(e) Gyansagar Buildtech Limited ("GBL")

Corporate Information

GBL was incorporated as 'Gyan Sagar Software Technologies Private Limited' on October 28, 2010 at Delhi and Haryana as a private limited company under the Companies Act, 1956. The name was changed to 'Gyansagar Buildtech Private Limited' and a fresh certificate of incorporation consequent upon change of name was issued on January 8, 2014. Subsequently a fresh certificate of incorporation consequent upon conversion to public limited company was issued on November 14, 2014. The corporate identification number of GBL is U70200DL2010PLC209963. The registered office of GBL is located at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

GBL is authorized to engage in the business of development of infrastructure, and buildings, contracting, purchasing, selling, developing, hiring, constructing, acquiring or dealing in real estate, moveable, immoveable properties including entering into joint ventures or foreign collaborations and renting, letting on hire, managing them and acting as a real estate agents. GBL is also engaged in the business of preparing estimates, designs, plans, specifications or models in connection with laying, developing, constructing, building, erecting, demolishing, altering and repairing any structural work.

GBL is currently involved in the business of construction and development of real estate.

Capital Structure

The authorised share capital of GBL is ₹2.11 million divided into 110,500 equity shares of face value of ₹10 each and 100,000 preference shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of GBL is ₹1.10 million, divided into 110,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of GBL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Devata Tradelink Limited	109,994	100
2.	Sanjeev Kashyap*	1	Negligible
3.	Ravinder*	1	Negligible
4.	Anil Malhan*	1	Negligible
5.	Satish Chand*	1	Negligible
6.	Matbeer Singh*	1	Negligible
7.	Pankaj Sharma*	1	Negligible
TOTAL		**110,000**	**100**

Nominee of Devata Tradelink Limited.

(f) Astraea Constructions Limited ("ASCL")

Corporate Information

ASCL was incorporated as 'Astraea Constructions Private Limited' on January 3, 2013 as a private limited company under the Companies Act, 1956. Subsequently a fresh certificate of incorporation consequent upon conversion to public limited company was issued on November 11, 2014. The corporate identification number of ASCL is U70101DL2013PLC247007. The registered office of ASCL is located at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

ASCL is authorized to engage in the business of development of infrastructure, and buildings, contracting, purchasing, selling, developing, hiring, constructing, acquiring or dealing in real estate, moveable, immoveable properties including entering into joint ventures or foreign collaborations and renting, letting on hire, managing them and acting as a real estate agents. ASCL is also engaged in the business of preparing estimates, designs, plans, specifications or models in connection with laying, developing, constructing, building, erecting, demolishing, altering, repairing any structural work.

ASCL is currently involved in the business of construction and development of real estate.

Capital Structure

The authorised share capital of ASCL is ₹0.5 million divided into 50,000 equity shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of ASCL is ₹0.5 million, divided into 50,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of ASCL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Distribution Services Limited	49,994	100
2.	Sanjeev Kashyap*	1	Negligible
3.	Ravinder*	1	Negligible
4.	Anil Malhan*	1	Negligible
5.	Satish Chand*	1	Negligible
6.	Matbeer Singh*	1	Negligible
7.	Pankaj Sharma*	1	Negligible
TOTAL		**50,000**	**100**

**Nominee of Indiabulls Distribution Services Limited.*

(g) Silenus Buildtech Limited ("SBL")

Corporate Information

SBL was incorporated as 'Silenus Software Technologies Private Limited' on January 28, 2013 as a private limited company under the Companies Act, 1956. The name was changed to 'Silenus Buildtech Private Limited' and a fresh certificate of incorporation consequent upon change of name was issued on January 8, 2014. Subsequently a fresh certificate of incorporation consequent upon conversion to public limited company was issued on November 11, 2014. The corporate identification number of SBL is U70101DL2013PLC247611. The registered office of SBL is located at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

SBL is authorized to engage in the business of development of infrastructure, and buildings, contracting, purchasing, selling, developing, hiring, constructing, acquiring or dealing in real estate, moveable, immoveable properties including entering into joint ventures or foreign collaborations and renting, letting on hire, managing them and acting as a real estate agents. SBL is also engaged in the business of preparing estimates, designs, plans, specifications or models in connection with laying, developing, constructing, building, erecting, demolishing, altering and repairing any structural work.

SBL is currently involved in the business of construction and development of real estate.

Capital Structure

The authorised share capital of SBL is ₹0.5 million divided into 50,000 equity shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of SBL is ₹0.5 million, divided into 50,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of SBL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Distribution Services Limited	49,994	100

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
2.	Sanjeev Kashyap*	1	Negligible
3.	Ravinder*	1	Negligible
4.	Anil Malhan*	1	Negligible
5.	Satish Chand*	1	Negligible
6.	Matbeer Singh*	1	Negligible
7.	Pankaj Sharma*	1	Negligible
TOTAL		**50,000**	**100**

**Nominee of Indiabulls Distribution Services Limited.*

(h) Astilbe Builders Limited ("ABL")

Corporate Information

ABL was incorporated as 'Astilbe Builders Private Limited' on January 3, 2013 as a private limited company under the Companies Act, 1956. Subsequently a fresh certificate of incorporation consequent upon conversion to public limited company was issued on November 11, 2014. The corporate identification number of ABL is U70102DL2013PLC247000. The registered office of ABL is located at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

ABL is authorized to engage in the business of development of infrastructure, and buildings, contracting, purchasing, selling, developing, hiring, constructing, acquiring or dealing in real estate, moveable, immoveable properties including entering into joint ventures or foreign collaborations and renting, letting on hire, managing them and acting as a real estate agents. ABL is also engaged in the business of preparing estimates, designs, plans, specifications or models in connection with laying, developing, constructing, building, erecting, demolishing, altering and repairing any structural work.

ABL is currently involved in the business of construction and development of real estate.

Capital Structure

The authorised share capital of ABL is ₹0.5 million divided into 50,000 equity shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of ABL is ₹0.5 million, divided into 50,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of ABL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Distribution Services Limited	49,994	100
2.	Sanjeev Kashyap*	1	Negligible
3.	Ravinder*	1	Negligible
4.	Anil Malhan*	1	Negligible
5.	Satish Chand*	1	Negligible
6.	Matbeer Singh*	1	Negligible
7.	Pankaj Sharma*	1	Negligible
TOTAL		**50,000**	**100**

**Nominee of Indiabulls Distribution Services Limited.*

(i) Auxesia Soft Solutions Limited ("ASSL")

Corporate Information

ASSL was incorporated on September 30, 2011 as a public limited company under the Companies Act, 1956. The corporate identification number of ASSL is U72900DL2011PLC225699. The registered office of ASSL is located at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

ASSL is authorized to engage in the business of carrying on and engaging in the business on its own or with Indian or foreign agency, individuals, firm, company, governmental undertaking in India or abroad, of electronic information technology development, upgradation, manufacturing, processing of hardware, software, web-site, web-page, internet, e-mail, online electronic communication systems, telemarketing, data solutions and running and operating a training institute for the training of computer operations in India and abroad. It also provides consultancy services related to preparation and maintenance of accounting, statistical or mathematical information and all related business.

ASSL is currently involved in the business of providing hardware and software solutions.

Capital Structure

The authorised share capital of ASSL is ₹0.5 million divided into 50,000 equity shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of ASSL is ₹0.5 million, divided into 50,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of ASSL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Distribution Services Limited	49,994	100
2.	Ravinder*	1	Negligible
3.	Anil Malhan*	1	Negligible
4.	Sanjeev Kashyap*	1	Negligible
5.	Satish Chand*	1	Negligible
6.	Matbeer Singh*	1	Negligible
7.	Pankaj Sharma*	1	Negligible
TOTAL		**50,000**	**100**

**Nominee of Indiabulls Distribution Services Limited.*

(j) Positive Housings Private Limited ("PHPL")

Corporate Information

PHPL was incorporated on July 22, 2005 as a private limited company under the Companies Act, 1956. The corporate identification number of PHPL is U70101DL2005PTC138966. The registered office of PHPL is located at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

PHPL is authorized to engage in the business of purchasing, taking on lease or hiring any estates, land, building, easement and develop the same by laying out, plotting and preparing for building and constructing purposes. Purchasing, selling, mortgaging or disposing of lands, houses, buildings and other immoveable property of the company and to act as civil contractors for any person or government authority.

PHPL is currently involved in the business of construction and development of real estate.

Capital Structure

The authorised share capital of PHPL is ₹175.00 million divided into 17,500,000 equity shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of PHPL is ₹174.36 million, divided into 17,436,361 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of PHPL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Commodities Limited	17,436,360	100
2.	Matbeer Singh*	1	Negligible
TOTAL		**17,436,361**	**100**

**Nominee of Indiabulls Commodities Limited.*

(k) Indiabulls Distribution Services Limited ("IDSL")

Corporate Information

IDSL was incorporated on June 11, 2009 as a public limited company under the Companies Act, 1956. The corporate identification number of IDSL is U74999DL2009PLC191143. The registered office of IDSL is located at Indiabulls Distribution Services Limited, M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

IDSL is authorized to engage in the business to act as a distributor for all third party products in financial service sector, corporate agent, direct insurance broker, composite insurance broker, insurance consultant, assessors, and valuers and surveyors for procuring and soliciting general insurance business for clients and insurance companies. It acquires, holds, sells rents, lets on hire and manages moveable and immoveable properties and thus acts as a real estate agent. It also carries on the business of providing business process outsourcing and other related services to insurers and insurance intermediaries and undertaking, developing, building, designing, organizing, and managing Industrial Parks, SEZs and any other industrial, commercial or social infrastructure.

IDSL is currently involved in the business of distribution of third party products in the financial services sector including insurance products.

Capital Structure

The authorised share capital of IDSL is ₹20.00 million divided into 2,000,000 equity shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of IDSL is ₹0.5 million, divided into 50,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of IDSL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Ventures Limited	49,994	100
2.	Amit Jain *	1	Negligible
3.	Matbeer Singh*	1	Negligible
4.	Satish Chand*	1	Negligible

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
5.	Vikas Khandelwal*	1	Negligible
6.	Pankaj Sharma*	1	Negligible
7.	Anil Malhan*	1	Negligible
TOTAL		**50,000**	**100**

**Nominee of our Company.*

(l) Indiabulls Commodities Limited ("ICL")

Corporate Information

ICL was incorporated as 'Indiabulls Commodities Private Limited' on October 30, 2003 as a private limited company under the Companies Act, 1956. Subsequently a fresh certificate of incorporation consequent upon conversion to public limited company was issued on February 18, 2009. The corporate identification number of ICL is U74999DL2003PLC122874. The registered office of ICL is located at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

ICL is authorized to engage in the business of acting as brokers, sub-brokers, market makers, investors and/or hedgers and trading in agricultural products, metals, precious stones, energy products and all other commodities and securities in the spot and futures markets. It ls participates in trading, settlement and other activities of commodity exchange facilitating trades and clearing/settlement of trade in spots or future markets.

ICL is currently involved in the business of commodity broking and provides trading services.

Capital Structure

The authorised share capital of ICL is ₹10.00 million divided into 1,000,000 equity shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of ICL is ₹6.00 million, divided into 600,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of ICL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Ventures Limited	599,994	100
2.	Satish Chand*	1	Negligible
3.	Sameer Gehlaut*	1	Negligible
4.	Ashok Sharma*	1	Negligible
5.	Divyesh Shah*	1	Negligible
6.	Gagan Banga*	1	Negligible
7.	Ajit Kumar Singh*	1	Negligible
TOTAL		**600,000**	**100**

**Nominee of our Company.*

(m) Indiabulls Asset Reconstruction Company Limited ("IARCL")

Corporate Information

IARCL was incorporated on November 2, 2006 as a public limited company under the Companies Act, 1956. The corporate identification number of IARCL is U67110DL2006PLC155167. The registered office of

IARCL is located at Indiabulls Asset Reconstruction Company Limited, M-62 & 63, First Floor, Connaught Place, New Delhi-110001, Delhi, India.

IARCL is authorized to engage in the business of asset reconstruction in all forms, in India or abroad and holding, acquiring, managing, assigning or disposing of loan assets with or without underlying securities. It also conducts and participates in auctions of moveable or immoveable assets conducted by Courts, Tribunals or other government agencies or private firms. It improves or undertakes development activity or expand the assets/industrial units to enhance marketability.

IARCL is currently involved in the business of securitization and asset reconstruction.

Capital Structure

The authorised share capital of IARCL is ₹750 million divided into 75,000,000 equity shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of IARCL is ₹550 million divided into 55,000,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of IARCL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Ventures limited	54,999,994	100
2.	Anil Malhan*	1	Negligible
3.	Akshay Kumar Tiwari*	1	Negligible
4.	Satish Chand*	1	Negligible
5.	Sanjeev Kashyap*	1	Negligible
6.	Matbeer Singh*	1	Negligible
7.	Pankaj Sharma*	1	Negligible
TOTAL		**55,000,000**	**100**

**Nominee of our Company.*

(n) Devata Tradelink Limited ("DTL")

Corporate Information

DTL was incorporated on January 9, 2008 as a public limited company under the Companies Act, 1956. The corporate identification number of DTL is U51109DL2008PLC172459. The registered office of DTL is located at, M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

DTL is authorized to engage in the business of providing all types and kinds of financial consultancy services, acting as consultant, advisor, representative, advocate, signatory, attorney, liasioner, agent, liquidator, arbitrator, amongst others, in all its branches such as legal, commercial, industrial, manufacturing, production, engineering, personnel, company law, taxation, animal husbandry, research and development, computer applications, quality control, merchant banking, underwriting and secretarial services, amongst others, and to supply turnkey projects in all industries, utilities, commercial and welfare fields and to do all incidental acts and things necessary for attainment of the forgoing objects.

DTL is currently involved in the business of providing consultancy and financial advisory services.

Capital Structure

The authorised share capital of DTL is ₹0.5 million divided into 50,000 equity shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of DTL is ₹0.5 million, divided into 50,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of DTL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Ventures Limited	49,994	100
2.	Amit Jain*	1	Negligible
3.	Pankaj Sharma*	1	Negligible
4.	Matbeer Singh*	1	Negligible
5.	Satish Chand*	1	Negligible
6.	Ajit Kumar Singh*	1	Negligible
7.	Vikas Khandelwal*	1	Negligible
TOTAL		**50,000**	**100**

**Nominee of our Company.*

(o) Indiabulls Investment Advisors Limited ("IIAL")

Corporate Information

IIAL was incorporated as 'Indiabulls Brokerage Limited' on August 22, 2008 at Delhi and Haryana as a public limited company under the Companies Act, 1956. A fresh certificate of incorporation consequent upon change of name to IIAL was issued on May 12, 2017. The corporate identification number of IIAL is U74992DL2008PLC182331. The registered office of IIAL is located at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

IIAL is authorized to engage in the business of acting as a distributor for all third party products in financial service sector, corporate agent, direct insurance broker, composite insurance broker, insurance consultant, assessors, valuers and surveyors for procuring and soliciting general insurance business for clients and insurance companies. It acquires, holds, sells, rents, lets on hire and manages moveable and immoveable properties and thus acts as a real estate agent. It also carries on the business of providing business process outsourcing and other related services to insurers and insurance intermediaries and undertaking, developing, building, designing, organizing and managing Industrial Parks, SEZs and any other industrial, commercial or social infrastructure.

IIAL is currently involved in business of real estate broking.

Capital Structure

The authorised share capital of IIAL is ₹55.00 million divided into 5,500,000 equity shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of IIAL is ₹55.00 million, divided into 5,500,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of IIAL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Ventures Limited	5,499,994	100
2.	Pankaj Sharma*	1	Negligible
3.	Matbeer Singh*	1	Negligible
4.	Amit Jain*	1	Negligible
5.	Vikas Khandelwal*	1	Negligible
6.	Ajit Kumar Singh*	1	Negligible
7.	Satish Chand*	1	Negligible
TOTAL		**5,500,000**	**100**

**Nominee of our Company.*

(p) Indiabulls Alternate Investments Limited ("IAIL")

Corporate Information

IAIL was incorporated on February 10, 2016 as a public limited company under the Companies Act, 2013. The corporate identification number of IAIL is U74999DL2016PLC290926. The registered office of IAIL is located at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

IAIL is authorized to engage in the business of carrying on the activities of raising or acquiring funds for and managing mutual funds, venture capital funds, offshore funds, pension funds, provident funds, insurance funds, alternative investment funds or any other funds and to act as investment managers, sponsors, consultants, advisors, administrators, attorneys or agents of funds established in India or elsewhere and as portfolio managers, financial advisors, investment advisors for rendering financial management, consultancy and advisory services.

IAIL is currently involved in the business of asset management.

Capital Structure

The authorised share capital of IAIL is ₹100.00 million divided into 10,000,000 equity shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of IAIL is ₹50.50 million, divided into 5,050,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of IAIL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Distribution Services Limited	5,049,994	100
2.	Priya Jain*	1	Negligible
3.	Sanjay Lohani*	1	Negligible
4.	Lalit Sharma*	1	Negligible
5.	Shilpi Shrivastava*	1	Negligible
6.	Ankit Brijpuriya*	1	Negligible
7.	Shekhar Vishnoi*	1	Negligible
TOTAL		**5,050,000**	**100**

**Nominee of IDSL.*

(q) Indiabulls Consumer Products Limited ("ICPL")

Corporate Information

ICPL was incorporated on July 5, 2016 as a public limited company under the Companies Act, 2013. The corporate identification number of ICPL is U74999DL2016PLC302574. The registered office of ICPL is located at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

ICPL is authorized to engage in the business of manufacturer, trader, developer, importer, exporter, buyer, seller, stockiest, distributors or agents, wholesalers, retailers and otherwise deal in any kind of consumer, domestic, industrial products, goods, appliances and apparatus, amongst others, and to render consultancy/advisory services for the above mentioned business and its related fields.

ICPL is currently involved in the business of dealing in electrical appliances, LED lights and consumer goods.

Capital Structure

The authorised share capital of ICPL is ₹5.00 million divided into 500,000 equity shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of ICPL is ₹0.50 million, divided into 50,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of ICPL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Ventures Limited	49,994	100
2.	Akshay Kumar Tiwari*	1	Negligible
3.	Pankaj Sharma*	1	Negligible
4.	Matbeer Singh*	1	Negligible
5.	Raj Kumar Gupta*	1	Negligible
6.	Ram Mehar*	1	Negligible
7.	Kishor Kumar Shrivastava*	1	Negligible
TOTAL		**50,000**	**100**

**Nominee of our Company.*

(r) Indiabulls Logistics Limited ("ILL")

Corporate Information

ILL was incorporated on January 19, 2017 as a public limited company under the Companies Act, 2013. The corporate identification number of ILL is U74999DL2017PLC310798. The registered office of ILL is located at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

ILL is authorized to engage in the business of providing transportation logistics services in India or abroad in relation to transport of all kinds of passengers, animals, goods by all means of transportation from any port station to any container freight station or to any inland container depot and also provides pick-up and delivery services. It carries on the business of public carriers, shipowners, ship brokers, ship agents, ship underwriters, ship managers, transporters of goods on own account or as agents of other carriers on any route by adopting various technological applications and management activities. It also provides consultancy, advisory and all related services in all areas of information technology and undertakes and provides innovative solutions in relation to processing of information and also in the interpretation, application and use of process data.

ILL is currently involved in the business of providing logistics and cargo handling services.

Capital Structure

The authorised share capital of ILL is ₹10.00 million divided into 1,000,000 equity shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of ILL is ₹0.5 million, divided into 50,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of ILL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Ventures Limited	49,994	100
2.	Akshay Kumar Tiwari*	1	Negligible
3.	Pankaj Sharma*	1	Negligible
4.	Matbeer Singh*	1	Negligible
5.	Raj Kumar Gupta*	1	Negligible
6.	Ram Mehar*	1	Negligible
7.	Kishor Kumar Srivastava*	1	Negligible
TOTAL		**50,000**	**100**

**Nominee of our Company.*

(s) Indiabulls Infra Resources Limited ("IIRL")

Corporate Information

IIRL was incorporated on February 1, 2017 as a public limited company under the Companies Act, 2013. The corporate identification number of IIRL is U74999DL2017PLC311192. The registered office of IIRL is located at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India.

IIRL is authorized to engage in the business of renting, leasing of range of construction, infrastructure, manufacturing and mineral handling equipments in India and abroad and the business of builders, decorators, general and government contractor and engineers providing solutions to engineering procurement and construction companies. It also deals in construction, infrastructure, machineries and other building materials of real estate and provides end to end solutions by providing consultancy, advisory services in the field of construction, project development, information technology and finance related services, amongst others, to commercial and industrial enterprises.

IIRL is currently involved in the business of leasing equipment for construction and infrastructure projects.

Capital Structure

The authorised share capital of IIRL is ₹50.00 million divided into 5,000,000 equity shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of IIRL is ₹30 million, divided into 3,000,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of IIRL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Ventures Limited	2,999,994	100
2.	Akshay Kumar Tiwari*	1	Negligible
3.	Pankaj Sharma*	1	Negligible
4.	Matbeer Singh*	1	Negligible
5.	Raj Kumar Gupta*	1	Negligible
6.	Ram Mehar*	1	Negligible
7.	Kishor Kumar Srivastava*	1	Negligible
TOTAL		**3,000,000**	**100**

**Nominee of our Company.*

(t) India Ethanol and Sugar Limited ("IESL")

Corporate Information

IESL was incorporated on October 19, 2006 as a public limited company under the Companies Act, 1956. The corporate identification number of IESL is U01403DL2006PLC154898. The registered office of IESL is located at India Ethanol and Sugar Limited, M-62 & 63, First Floor, Connaught Place, New Delhi-110001, Delhi, India

IESL is authorized to engage in the business of purchasing, manufacturing, producing, boiling, buying, selling or dealing in all varieties of sugar, sugar-candy, jaggery, sugarcane, syrups, molasses, alcohol, spirits, ethanol and its derivatives amongst others and all products or by-products thereof to acquire, construct and operate sugar or other works. It plants, cultivates, produces and raises sugarcane, maize, sugar meets and other crops used in the production of sugar and its products and by-products. It also generates power by traditional and/or latest technology and distributes, sells surplus generation, and acts as consultants and advises on acquisition and commercial exploitation of power and suggests ways and means for improving efficiency in power projects.

IESL is currently involved in the business of dealing in sugar, its products and bye-products such as ethanol. It also generates power by traditional and/ or latest technology and provides power advisory services.

Capital Structure

The authorised share capital of IESL is ₹120.00 million divided into 12,000,000 equity shares of face value of ₹10 each, and the issued, paid-up, and subscribed share capital of IESL is ₹1.90 million, divided into 190,000 equity shares of face value ₹10 each.

Shareholding

As on the date of this Draft Letter of Offer, the issued and paid-up share capital of IESL is as set out in the table below:

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
1.	Indiabulls Commodities Limited	189,994	100
2.	Amit jain*	1	Negligible
3.	Pankaj Sharma*	1	Negligible
4.	Matbeer Singh*	1	Negligible
5.	Satish Chand*	1	Negligible
6.	Ajit Kumar Singh*	1	Negligible
7.	Vikas Khandelwal*	1	Negligible

Sr. No.	Name of the shareholder	No. of equity shares of face value of ₹10 each	Percentage of shareholding (%)
TOTAL		**190,000**	**100**

**Nominee of Indiabulls Commodities Limited.*

None of the Subsidiaries (i) are listed on any stock exchange in India or abroad; (ii) have been refused listing of any securities at any time, by any stock exchange in India or abroad; (iii) have become a sick company under the meaning of SICA; or (iv) have any winding up proceedings initiated against them.

Significant sale / purchase between our Subsidiaries and our Company

Except as disclosed in "*Related Party Transactions*" on page 214, our Subsidiaries are not involved in any significant sales or purchases with our Company where such sales or purchases exceed the aggregate value of 10% of the total sales or purchases of our Company.

Common pursuits

Except, Indiabulls Commodities Limited which is engaged in the business of commodity broking, there are no common pursuits between any of our Subsidiaries and our Company.

Accumulated profits or losses

There are no accumulated profits or losses of any of our Subsidiaries that are not accounted for by our Company in the Restated Consolidated Financial Statements.

Business interest between our Company and our Subsidiary

Our Subsidiaries do not have any business interest in our Company.

Joint ventures of our Company

Our Company does not have any joint ventures.

Key agreements

Our Company has not entered into any shareholders agreements.

ACQUISITION OF BUSINESS, MERGERS AND AMALGAMATIONS

Amalgamation between Indiabulls Credit Services Limited ("ICSL"), Indiabulls Financial Services Limited ("IBFSL") and our Company

IBFSL was reorganised by way of an amalgamation of ICSL with IBFSL and the subsequent demerger of the securities broking and advisory business of IBFSL to the Company (the "**Demerger**") pursuant to a scheme of arrangement under the Companies Act, 1956 (the "**Scheme of Amalgamation**"), between IBFSL, ICSL and our Company. The Scheme of Amalgamation was approved by the Honourable High Court of Delhi by an order dated November 23, 2007.

The appointed date of the Demerger was April 1, 2007. Pursuant to the Scheme of Amalgamation, the assets, liabilities and investments of IBFSL's undertaking in relation to its securities broking and advisory business was demerged to our Company on December 24, 2007, with effect from the Appointed Date (as defined under the Scheme). Under the terms of the Scheme of Amalgamation, each registered holder of shares in IBFSL as at January 8, 2008 has been allotted one Equity Share of the Company of par value ₹2 for every one IBFSL share held by such holder. It should be noted that our Company was a wholly owned subsidiary of IBFSL prior to the Scheme of Amalgamation. Pursuant to the Scheme of Amalgamation, our Company was demerged from its holding company, IBFSL (holding 100% shareholding in our Company), with the entire shareholding of IBFSL in our Company being extinguished. Fresh Equity Shares were thereafter issued to the shareholders of IBFSL pursuant to the Scheme of Amalgamation.

OUR MANAGEMENT

BOARD OF DIRECTORS

In terms of the Articles of Association, our Company is required to have not less than three Directors and not more than 12 Directors. As on the date of this Draft Letter of Offer, our Board comprises eight Directors, of which two are Executive Directors, two are Non-Executive Directors and four are Independent Directors. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act, 2013 and the SEBI Listing Regulations.

Our Board of Directors

The following table sets forth details regarding our Board of Directors as on the date of filing of this Draft Letter of Offer with SEBI:

Sr. No.	Name, designation, address, occupation, nationality, term and DIN	Age (Years)	Other directorships
1.	**Sameer Gehlaut*** ***Designation***: Chairman and Non-executive Director (Additional) ***Address***: Indiabulls Finance Centre Tower 1, 18th floor Elphinstone Road Mumbai – 400 013 Maharashtra, India ***Occupation***: Business ***Nationality***: Indian ***Term***: Not liable to retire by rotation. ***DIN***: 00060783	43	***Indian Companies*** • Indiabulls Real Estate Limited • Indiabulls Housing Finance Limited • Karanbhumi Estates Private Limited • Meru Minerals Private Limited • Inuus Infrastructure Private Limited • Galax Minerals Private Limited • Inuus Properties Private Limited • Inuus Land Development Private Limited • Inuus Developers Private Limited • SG Advisory Services Private Limited • Orthia Developers Private Limited • Orthia Land Development Private Limited • Cleta Properties Private Limited • Cleta Buildtech Private Limited • Arbutus Properties Private Limited • Gyan Sagar Real Estate Private Limited • Jyestha Infrastucture Private Limited • SG Infralands Private Limited • SG Devbuild Private Limited ***Foreign Companies*** • OakNorth Holdings Limited

Sr. No.	Name, designation, address, occupation, nationality, term and DIN	Age (Years)	Other directorships
2.	**Divyesh Shah** ***Designation***: Executive Director and Chief Executive Officer ***Address***: 4008, The Imperial North Tower, 40th Flr M P Mill Compound BB Nakashe Marg Tardeo Mumbai -400 034 Maharashtra, India ***Occupation***: Business ***Nationality***: Indian ***Term***: For a period of five years, commencing from April 1, 2014, and liable to retire by rotation ***DIN***: 00010933	47	***Indian Companies*** • Indiabulls Commodities Limited • IB Assets Limited • Indiabulls Natural Resources Limited • Indiabulls Infrastructure Projects Limited • Indiabulls Engineering Limited • Indiabulls Consumer Products Limited • Positive Housings Private Limited ***Foreign Companies*** Nil
3.	**Gagan Banga*** ***Designation***: Non-executive Director (Additional) ***Address***: 243, Maker Tower B wing 24th floor, Cuffe Parade, Colaba Mumbai – 400 005 Maharashtra, India ***Occupation***: Professional ***Nationality***: Indian ***Term***: Liable to retire by rotation. ***DIN***: 00010894	42	***Indian Companies*** • Indiabulls Housing Finance Limited • GSB Advisory Services Private Limited • Indiabulls Distribution Services Limited ***Foreign Companies*** • OakNorth Bank Limited
4.	**Pinank Jayant Shah*** ***Designation***: Executive Director (Additional) ***Address***: Flat No. 5, Prabhudas Building No. 9A, St. Xaviers School Road, Opposite Church, Vile Parle (West) Mumbai – 400 056 Maharashtra, India ***Occupation***: Professional	38	***Indian Companies*** IVL Finance Limited ***Foreign Companies*** Nil

Sr. No.	Name, designation, address, occupation, nationality, term and DIN	Age (Years)	Other directorships
	Nationality: Indian ***Term***: For a period of five years, commencing from August 28, 2017, and liable to retire by rotation ***DIN***: 07859798		
5.	**Labh Singh Sitara** ***Designation***: Independent Director ***Address***: H. No. 50, New Officers Colony Patiala – 147 001 Punjab, India ***Occupation***: Ex-army officer ***Nationality***: Indian ***Term***: For a period of five years, commencing from September 29, 2014 and not liable to retire by rotation ***DIN***: 01724648	78	***Indian Companies*** • Indiabulls Real Estate Limited • Indiabulls Housing Finance Limited • Lucina Land Development Limited • Indiabulls Distribution Services Limited • Selene Constructions Limited • Juventus Estate Limited • Citra Properties Limited • Athena Infrastructure Limited • IVL Finance Limited ***Foreign Companies*** Nil
6.	**Vijayalakshmi Rajaram Iyer*** ***Designation***: Independent Director (Additional) ***Address***: C-1, Goodwill CHS Limited Opposite Jankalyan Sahkari Bank, J.B. Nagar, Andheri (East) Mumbai – 400 059 Maharashtra, India ***Occupation***: Professional ***Nationality***: Indian ***Term***: For a period of two years, commencing from August 28, 2017, and not liable to retire by rotation ***DIN***: 05242960	62	***Indian Companies*** • Jammu and Kashmir Bank Limited • JRG Fincorp Limited • Aditya Birla Capital Limited • Arihant Superstructure Limited ***Foreign Companies*** Nil
7.	**Shyam Lal Bansal*** ***Designation***: Independent Director (Additional)	63	***Indian Companies*** • J.K. Cement Limited • IL&FS Tamil Nadu Power Company Limited

Sr. No.	Name, designation, address, occupation, nationality, term and DIN	Age (Years)	Other directorships
	Address: H. No. 1202A, LA Lagune Golf Course Road, Sector-54 Gurgaon – 122 001 Haryana ***Occupation***: Professional ***Nationality***: Indian ***Term***: For a period of two years, commencing from August 28, 2017, and not liable to retire by rotation ***DIN***: 02910086		• NIIT Institute of Finance Banking and Insurance Training Limited • Indiabulls Asset Reconstruction Company Limited ***Foreign Companies*** Nil
8.	**Alok Kumar Misra*** ***Designation***: Independent Director (Additional) ***Address***: 601, A Wing, 6th Floor Sterling Sea Face, 13/9 Dr. Annie Besant Road Worli Mumbai – 400 018 Maharashtra, India ***Occupation***: Professional ***Nationality***: Indian ***Term***: For a period of two years, commencing from August 28, 2017, and not liable to retire by rotation ***DIN***: 00163959	65	***Indian Companies*** • Monte Carlo Fashions Limited • Fortune Financial Services (India) Limited • Infomerics Valuation and Rating Private Limited • ITI Asset Management Limited ***Foreign Companies*** Nil

** Appointed as an additional director on the Board of our Company pursuant to the Board meeting dated August 28, 2017 and will be regularised as a Director on the Board of our Company subject to approval of Shareholders at the AGM of our Company proposed to be held on September 29, 2017.*

Relationship between our Directors

None of our Directors are related to each other.

Brief biographies of Directors

Sameer Gehlaut, aged 43 years, is the Chairman and Non-executive Director (Additional) of our Company. He holds a bachelors' degree in mechanical engineering from the Indian Institute of Technology, Delhi. He has over 16 years of experience in real estate and finance.

Divyesh Shah, aged 47 years, is the Executive Director and Chief Executive Officer of our Company. He holds a bachelors' degree in commerce from University of Madras. He has been associated with our Company for over 14 years. He has over 24 years of experience in the securities and brokerage business.

Gagan Banga, aged 42 years, is a Non-executive Director (Additional) of our Company. He holds a post-graduate diploma in management from Goa Institute of Management. He has over 18 years of experience in the business of NBFCs and HFCs. He has been named amongst most valuable chief executive officer by BW Businessworld.

Pinank Jayant Shah, aged 38 years, is an Executive Director of our Company. He holds a bachelors'degree in commerce from Mumbai University and a masters'degree in management studies (finance) from Jamnalal Bajaj Institute of Management Studies. He has 15 years of experience in retail lending, corporate lending and fund raising. Before joining our Company, he was associated with Indiabulls Housing Finance Limited and Housing Development Finance Corporation Limited.

Labh Singh Sitara, aged 78 years, is an Independent Director on our Board. He holds a bachelor's degree in economics from the Punjab University. He has previously served in the Indian army and has been awarded with Dhyan Chand Award for lifetime achievement in games and sports by Ministry of Youth Affairs and Sports in the year 2004. He has won medals in the Asian Games in the year 1966 and 1970, respectively and currently officiates as an honorary advisor to the Sports Department of the Government of Punjab and as a member of the planning committee of the Athletics Federation of India.

Vijayalakshmi Rajaram Iyer, aged 62 years, is an Independent Director (Additional) of our Company. She holds a masters'degree in commerce from Sydenham College of Commerce, Mumbai. She has 42 years of experience in the banking industry. Before joining our Company, she was a member of Finance and Investment and Enforcement Department of Insurance Regulatory and Development Authority of India, and was also the chairperson and managing director of Bank of India till May, 2015.

Shyam Lal Bansal, aged 63 years, is an Independent Director (Additional) of our Company. He holds a masters'degree in commerce from University of Delhi, and is a certified associate of the Indian Institute of Bankers. He has 41 years of experience in the banking industry. He has been associated with Union Bank of India, United Bank of India and Oriental Bank of Commerce. He was the chairman and managing director of Oriental Bank of Commerce till September 30, 2014.

Alok Kumar Misra, aged 65 years, is an Independent Director (Additional) of our Company. He holds a masters' degree in statistics from University of Lucknow, a post graduate diploma in personnel management from Delhi University and a diploma in management from Indira Gandhi National Open University. He is an associate of the Indian Institute of Bankers. He has 43 years of experience in the banking industry. He has been associated as general manager with Bank of India, managing director of Indo-Zambia Bank Limited, executive director of Canara Bank, and chairman and managing director of Oriental Bank of Commerce and Bank of India.

Confirmations

None of our Directors is, or was a director of any listed company during the last five years preceding the date of this Draft Letter of Offer, whose shares have been, or were, suspended from being traded on BSE or NSE.

None of our Directors is, or was a director of any listed company which has been, or was, delisted from any stock exchange during the term of their directorship in such company.

Other than as mentioned below and as disclosed in "*Outstanding Litigation and Material Developments*" on page 371, none of the Directors of our Company are or were associated as a director of any other company against which SEBI has initiated any proceedings or investigations during the tenure of their directorship in such other company:

Sameer Gehlaut, Gagan Banga and Labh Singh Sitara are directors on the board of Indiabulls Housing Finance Limited ("**IHFL**"). IHFL has received a notice dated July 18, 2016 (the "**Notice**") under rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995, in relation to certain irregularities with the filing of shareholding patterns by IHFL (between 2010 and 2012) with the stock exchanges pursuant to the erstwhile equity listing agreement that all listed entities in India were required to enter into with the stock exchanges. Pursuant to the Notice, it has been alleged that an employee welfare trust created for the benefit of the employees primarily to hold the equity shares of IHFL issued pursuant to employee stock option plans should have been disclosed in the list of public shareholder holding more than 1% of the share capital of IHFL under applicable laws. The maximum penalty leviable in relation to the allegations set out in the Notice is ₹10 million. Pursuant to the Notice, IHFL filed an application dated September 30, 2016 in terms of SEBI Circular No. CIR/EFD/1/2012 dated May 25, 2012. The matter was heard by the Internal Committee on August 24, 2017 when the settlement terms were formulated and IHFL offered to pay ₹1,439,900 towards settlement of the matter.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as a member by any person either to induce such director to become, or to help such director to qualify as a Director, or otherwise for services rendered by him / her or by the firm or company in which he / she is interested, in connection with the promotion or formation of our Company.

Terms of appointment of Executive Director

Divyesh Shah

Divyesh Shah was re-appointed as a whole time Director on the Board of Directors of our Company, pursuant to a resolution passed by the Board of Directors at their meeting held on April 1, 2014, and resolution passed by the Shareholders of our Company at an AGM of our Company held on September 29, 2014. Divyesh Shah was re-appointed as a whole time Director for a period of five years with effect from April 1, 2014 to March 31, 2019, at a remuneration of upto ₹5 million per month.

Pinank Jayant Shah

Pinank Jayant Shah was appointed as an additional director on the Board of Directors of our Company, pursuant to a resolution passed by the Board of Directors at their meeting held on August 28, 2017. He will be regularised as an Executive Director on the Board of our Company subject to approval of the Shareholders at the AGM of our Company proposed to be held on September 29, 2017. The terms of his appointment are as mentioned below:

Period	Five years with effect from August 28, 2017
Nature	Liable to retire by rotation
Designation	Executive Director
Remuneration	As approved by the Board on the recommendation of the Nomination and Remuneration Committee
Performance related incentives	Stock options to be allotted in accordance with the ESOP Schemes
Sitting fees	Nil

Payment of benefits to Directors of our Company

The sitting fees / other remuneration paid to our Directors in Financial Year 2017 are as follows:

Remuneration paid to our Executive Director

Name of Director*	Sitting fees paid (₹ in million)	Commission (₹ in million)	Other Remuneration, if any (₹ in million)
Divyesh Shah	Nil	Nil	3.23 (excluding perquisites on exercise of stock options)
Pinank Jayant Shah**	Nil	Nil	Nil

** Amiteshwar Choudhary was appointed as director on the Board of our Company with effect from September 28, 2016 and resigned from our Board of Directors with effect from August 28, 2017. No remuneration was paid to him during the tenure of his directorship.*
***Pinank Jayant Shah was appointed as an additional Director pursuant to the board meeting dated August*

28, 2017, and will be regularised as an Executive Director pursuant to the approval of Shareholders at the AGM proposed to be held on September 29, 2017. Therefore, he was not entitled to any remuneration in Fiscal 2017.

Remuneration paid to our Non-Executive Directors

Name of Director*	Sitting fees paid (₹ in million)	Commission (₹ in million)	Other Remuneration, if any (₹ in million)
Sameer Gehlaut	Nil	Nil	Nil
Gagan Banga	Nil	Nil	Nil

**Pia Johnson resigned from our Board of Directors with effect from August 28, 2017, and no remuneration was paid to her in Fiscal 2017. Ajit Kumar Mittal resigned from our Board of Directors with effect from September 23, 2017, and no remuneration was paid to him in Fiscal 2017.*

Remuneration paid to our Independent Directors

The details of remuneration paid to our Independent Directors during Fiscal 2017 is as follows:

Name of Director*	Sitting fees paid (₹ in million)	Commission (₹ in million)	Other Remuneration, if any (₹ in million)
Labh Singh Sitara	Nil	Nil	Nil
Vijayalakshmi Rajaram Iyer**	Nil	Nil	Nil
Shyam Lal Bansal**	Nil	Nil	Nil
Alok Kumar Misra**	Nil	Nil	Nil

** Aishwarya Katoch resigned from our Board of Directors with effect from September 18, 2017, and no remuneration was paid to him in Fiscal 2017.*
Prem Prakash Mirdha resigned from our Board of Directors with effect from September 23, 2017, and no remuneration was paid to him in Fiscal 2017.
***Vijayalakshmi Rajaram Iyer, Shyam Lal Bansal and Alok Kumar Misra were appointed as an additional Director pursuant to the board meeting dated August 28, 2017, and will be regularised as Independent Directors pursuant to the approval of Shareholders at the AGM proposed to be held on September 29, 2017. Therefore, he was not entitled to any remuneration in Fiscal 2017.*

Shareholding of Directors in our Company

The Articles of Association do not require our Directors to hold any qualification shares.

For details of shareholding of our Directors in our Company as of the date of filing this Draft Letter of Offer, see "*Capital Structure – Details of Equity Shares held by the Directors and Key Management Personnel of our Company*" on page 97.

Shareholding of Directors in our Subsidiaries

Details of the shareholding of our Directors in our Subsidiaries is set forth below:

Name of Director	Name of the Subsidiary	Designation	Number of equity shares	Percentage shareholding (%)
Sameer Gehlaut	Indiabulls Commodities Limited*	Chairman and Non-executive Director	1	-
Divyesh Shah	Indiabulls Commodities Limited*	Executive Director and Chief Executive Officer	1	-
Gagan Banga	Indiabulls Commodities Limited*	Non-executive Director	1	-

**Equity shares of Indiabulls Commodities Limited is held in the capacity of nominee of our Company*

Other than as mentioned above, none of the Directors hold any equity shares in the Subsidiaries.

Appointment of relatives of our Directors to any office or place of profit

None of the relative of our Directors currently hold any office, or place of profit in our Company.

Arrangement or understanding with major Shareholders, customers, suppliers or others

There is no arrangement or understanding with the major Shareholders, customers, suppliers or others, pursuant to which any of our Directors was appointed on the Board of Directors or as a member of the senior management.

Interests of Directors

All Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of our Board or a committee thereof, to the extent of other remuneration and reimbursement of expenses, if any, payable to them, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

(i) Interest in property

Our Directors have no interest in any property acquired by our Company two years prior to the date of this Draft Letter of Offer, or proposed to be acquired by our Company

(ii) Business interest

Except as stated in "*Related Party Transactions*" on page 214, and to the extent of shareholding or stock options in our Company, if any, our Directors do not have any other interest in our business.

(iii) Payment of benefits (non-salary related)

Except as disclosed in this Draft Letter of Offer, no amount or benefit has been paid or given within the two years preceding the date of filing of this Draft Letter of Offer, or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors.

(iv) Loans to Directors

No loans have been availed by the Directors from our Company. None of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company.

(v) Bonus or profit sharing plan for the Directors

None of the Directors are party to any bonus or profit sharing plan of our Company.

(vi) Service contracts with Directors

Our Company has not entered into any service contracts with Directors which provide for benefits upon termination of employment of Directors.

(vii) Interest in promotion of our Company

Except, Sameer Gehlaut who is the Promoter of our Company, none of our Directors have any interests in the promotion of our Company as at the date of this Draft Letter of Offer.

Changes in the Board in the last three years

Name	Date of appointment / change / cessation	Reason
Prem Prakash Mirdha	September 29, 2014	Appointed as Independent Director
Labh Singh Sitara	September 29, 2014	Appointed as Independent Director
Aishwarya Katoch	September 29, 2014	Appointed as Independent Director
Karan Singh Khera	November 7, 2014	Cessation due to resignation as Director
Pia Johnson	March 10, 2015	Appointed as non-executive Director
Aishwarya Katoch	October 12, 2015	Appointed as Independent Director
AshokoKumar	August 26, 2016	Cessation due to resignation as Director
Amiteshwar Choudhary	September 28, 2016	Appointed as wholetime Director
Ajit Kumar Mittal	August 28, 2017	Appointed as Additional Director
Amiteshwar Choudhary	August 28, 2017	Cessation due to resignation as Director
Pia Johnson	August 28, 2017	Cessation due to resignation as Director
Sameer Gehlaut*	August 28, 2017	Appointed as Chairman and Non-executive Director (additional Director)
Gagan Banga*	August 28, 2017	Appointed as Non-executive Director (additional Director)
Pinank Jayant Shah*	August 28, 2017	Appointed as Executive Director (additional Director)
Vijayalakshmi Rajaram Iyer*	August 28, 2017	Appointed as Independent Director (additional Director)
Shyam Lal Bansal*	August 28, 2017	Appointed as Independent Director (additional Director)
Alok Kumar Misra*	August 28, 2017	Appointed as Independent Director (additional Director)
Aishwarya Katoch	September 18, 2017	Cessation due to resignation as Director
Ajit Kumar Mittal	September 23, 2017	Cessation due to resignation as Director
Prem Prakash Mirdha	September 23, 2017	Cessation due to resignation as Director

* *Appointed as an additional director on the Board of our Company pursuant to the Board meeting dated August 28, 2017 and will be regularised as a Director on the Board of our Company subject to approval of Shareholders at the AGM of our Company proposed to be held on September 29, 2017.*

Borrowing powers of Board

As on date of this Draft Letter of Offer, pursuant to the resolution of the shareholders of our Company passed at an AGM held on September 7, 2015, our Board of Directors have been authorised to borrow sums of money on such terms and conditions, with or without security, as the Board may think fit, which together with the monies borrowed by our Company (apart from the temporary loans obtained, or to be obtained from our Company's bankers in the ordinary course of business) may exceed the aggregate, for the time being, of the paid-up capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of monies so borrowed by our Board of Directors, shall not at any time exceed the amount of ₹20,000 million.

However, subject to the approval of the Shareholders at the AGM proposed to be held on September 29, 2017, our Board of Directors will be authorised to borrow sums of money on such terms and conditions, with or without security, as the Board may think fit, which together with the monies borrowed by our Company

(apart from the temporary loans obtained, or to be obtained from our Company's bankers in the ordinary course of business) may exceed the aggregate, for the time being, of the paid-up capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of monies so borrowed by our Board of Directors, shall not at any time exceed the amount of ₹ 50,000 million.
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Corporate Governance

We are in compliance with the requirements of applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI ICDR Regulations, in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board committees and formulation of policies, each as required under law, including the SEBI Listing Regulations.

Our Board has been constituted in compliance with the Companies Act, 2013, the SEBI Listing Regulations and in accordance with best practices in corporate governance. The Board functions either as a full board, or through various committees constituted to oversee specific operational areas. The executive management of our Company provides the Board of Directors periodic reports on the performance of the Company.

As on the date of this Draft Letter of Offer, our Board comprises eight Directors, of which two are Executive Directors, two are Non-Executive Directors and four are Independent Directors. Our Board also includes a woman Director.

Committees of the Board

In addition to the committees of our Board detailed below, our Board may, from time to time, constitute committees for various functions.

(i) Audit Committee

The members of the Audit Committee are:

1. Labh Singh Sitara (Chairman);

2. Alok Kumar Misra (Member); and

3. Divyesh Shah (Member)

The Audit Committee was reconstituted post demerger pursuant to Scheme of Amalgamation by a meeting of the Board of Directors held on January 1, 2008, and was last reconstituted by our Board of Directors at their meeting held on September 21, 2017. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations, and its terms of reference are as follows:

a) To oversee the financial reporting process and disclosure of financial information;
b) To review with management, quarterly, half yearly and annual financial statements and ensure their accuracy and correctness before submission to the board;
c) To review with management and internal auditors, the adequacy of internal control systems, approving the internal audit plans/reports and reviewing the efficacy of their functions, discussion and review of periodic audit reports including findings of internal investigations;
d) To recommend appointment of the internal and statutory auditors and their remuneration;
e) To review and approve required provisions to be maintained as per IRAC norms and write off decisions;
f) To hold discussions with the statutory and internal auditors;
g) Review and monitoring of the auditor's independence and performance, and effectiveness of audit process;

h) Examination of the auditors' report on financial statements of the Company (in addition to the financial statements) before submission to the Board;
i) Approval or any subsequent modification of transactions of the Company with related parties;
j) Scrutiny of inter-corporate loans and investments;
k) Valuation of undertakings or assets of the Company, wherever it is necessary;
l) Monitoring the end use of funds raised through public offers and related matters as and when such funds are raised and also reviewing with the management the utilization of the funds so raised, for purposes other than those stated in the relevant offer document, if any, and making appropriate recommendations to the Board in this regard;
m) Evaluation of the risk management system (in addition to the internal control systems);
n) Review and monitoring of the performance of the statutory auditors and effectiveness of the audit process;
o) To hold post audit discussions with the auditors to ascertain any area of concern;
p) To review the functioning of the whistle blower mechanism; and
q) Approval to the appointment of the CFO after assessing the qualifications, experience and background, amongst other things, of the candidate.

(ii) Stakeholders Relationship Committee

The members of the Stakeholders Relationship Committee are:

1. Alok Kumar Misra (Chairman);

2. Labh Singh Sitara (Member); and

3. Pinank Jayant Shah (Member)

The Stakeholders Relationship Committee was reconstituted post demerger pursuant to Scheme of Amalgamation by a meeting of the Board of Directors held on January 1, 2008, and was last reconstituted by our Board of Directors at their meeting held on September 21, 2017. The scope and functions of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The terms of reference of the Stakeholders Relationship Committee are as follows:

a) To approve requests for share transfers and transmissions;
b) To approve the requests pertaining to remat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc; and
c) To oversee all matters encompassing the shareholders' / investors' related issues.

(iii) Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Labh Singh Sitara (Chairman);

2. Alok Kumar Misra (Member); and

3. Shyam Lal Bansal (Member)

The Nomination and Remuneration Committee was reconstituted post demerger pursuant to Scheme of Amalgamation by a meeting of the Board of Directors held on January 1, 2008, and was last reconstituted by our Board of Directors at their meeting held on September 21, 2017. The scope and functions of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee are as follows:

a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

b) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
c) Devising a policy on diversity of board of directors;
d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal; and
e) Whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent directors.

(iv) Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. Labh Singh Sitara (Chairman);

2. Divyesh Shah (Member); and

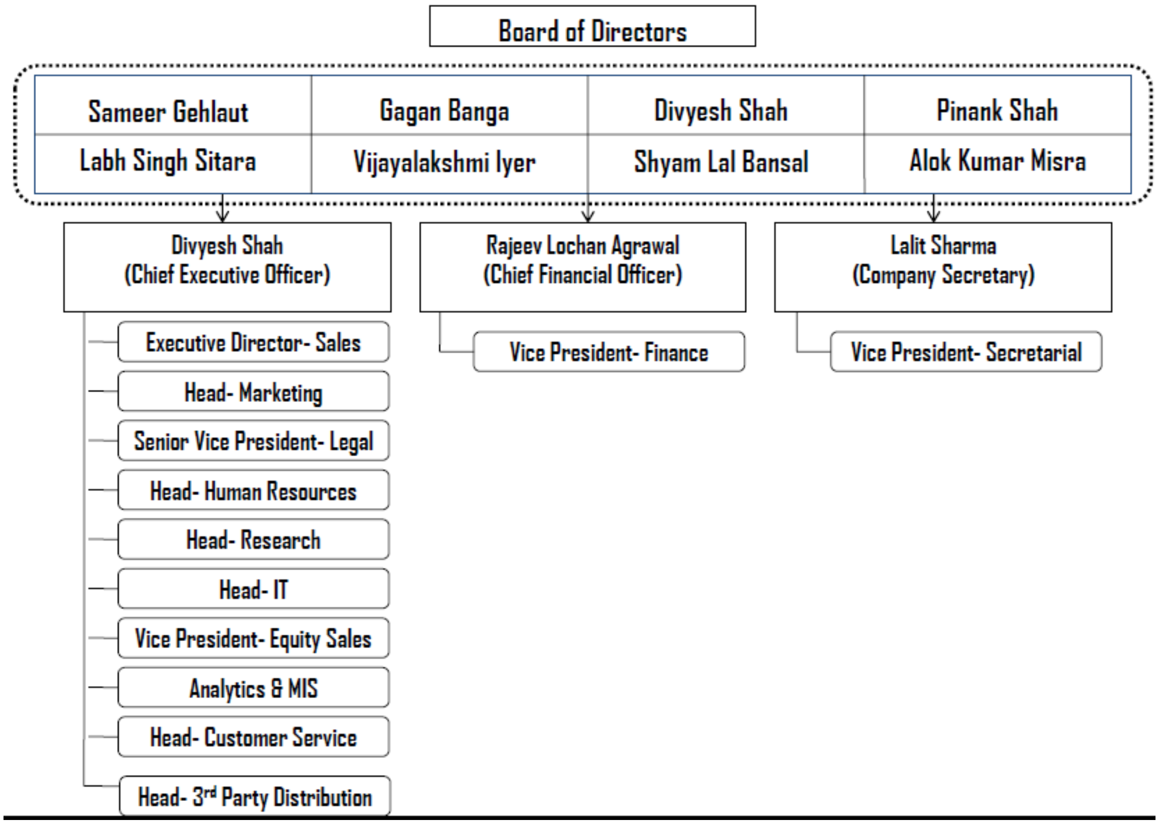
3. Pinank Jayant Shah (Member)

The Corporate Social Responsibility Committee was constituted by our Board of Directors at their meeting held on January 23, 2014, and was last reconstituted by our Board of Directors at their meeting held on September 21, 2017. The terms of reference of the Corporate Social Responsibility Committee of our Company are as per Section 135 of the Companies Act, 2013 and the applicable rules thereunder, and have been set out below:

a) To recommend to the Board, the CSR activities to be undertaken by the Company;
b) To approve the expenditure to be incurred on the CSR activities;
c) To oversee and review the effective implementation of the CSR activities; and
d) To ensure compliance of all related applicable regulatory requirements.

Additionally, our Company has constituted various operational committees such as the Compensation Committee, Allotment Committee and Management Committee.

MANAGEMENT ORGANISATION CHART



KEY MANAGEMENT PERSONNEL

The details of the Key Management Personnel of our Company as follows:

Divyesh Shah, is the Executive Director and Chief Executive Officer of our Company. For details see, "*Our Management – Brief Biographies of Directors*" on page 186.

Pinank Jayant Shah, is the Executive Director (Additional) of our Company. For details see, "*Our Management – Brief Biographies of Directors*" on page 186.

Rajeev Lochan Agarwal, aged 39 years, is the Chief Financial Officer of our Company. He holds a degree in bachelors of commerce from Indira Gandhi National Open University and is a certified chartered accountant from the Institute of Chartered Accountants of India. He has been associated with our Company since January 10, 2006 and has 11 years of experience in finance and accounting related matters. He was appointed as Chief Financial Officer of our Company on April 22, 2014. He handles the financial and accounting functions in our Company. The gross remuneration paid to him during Fiscal 2017 was ₹2.60 million (excluding perquisites on exercise of stock options).

Lalit Sharma, aged 39 years, is the Company Secretary and Compliance Officer of our Company. He holds a bachelors degree in law from CH. Charan Singh University, Meerut and is a certified compay secretary from the Institute of Company Secretaries of India. Further, he also holds post graduate diploma in business administration through distance learning from the Institute of Symbiosis Centre For Distance Learning. He has been associated with our Company since June 20, 2015 as Company Secretary and has 12 years of experience in the secretarial and complaince related matters. Before joining our Company he was associated with Sahara India Pariwar. He handles the secretarial and compliance functions in our Company. The gross remuneration paid to him during Fiscal 2017 was ₹0.87 million (excluding perquisites on exercise of stock options).

None of our Key Management Personnel are related to each other.

All the Key Management Personnel are permanent employees of our Company.

(a) Shareholding of Key Management Personnel

For details of shareholding of our Key Management Personnel in our Company as of the date of filing of this Draft Letter of Offer, see "*Capital Structure – Details of Equity Shares held by the Directors and Key Management Personnel of our Company*" on page 97.

(b) Arrangement or understanding with major Shareholders, customers, suppliers or others

There is no arrangement or understanding with the major Shareholders, customers, suppliers or others, pursuant to which any of our Key Management Personnel were appointed.

(c) Bonus or profit sharing plans

None of the Key Management Personnel are party to any bonus or profit sharing plan of our Company.

(d) Service contracts with Key Management Personnel

Other than the appointment letters issued by our Company to the Key Management Personnel in relation to their appointment as Key Management Personnel, our Company has not entered into any service contracts with the Key Management Personnels.

(e) Interests of Key Management Personnel

The Key Management Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them in the ordinary course of business.The Key Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company, if any.

None of the Key Management Personnel have been paid any consideration of any nature from our Company or any of our Subsidiaries, other than their remuneration and options granted under our Company's ESOP Schemes.

(f) Contingent and deferred compensation payable to Key Management Personnel

Other than employee stock options there is no contingent or deferred compensation payable to our Key Management Personnel.

(g) Changes in the Key Management Personnel

The changes in the Key Management Personnel in the last three years are as follows:

Name	Designation	Date of change	Reason for change
Ram Mehar Garg	Company secretary	July 21, 2015	Resignation
Richa Jaiswal	Company secretary	July 21, 2015	Appointment
Richa Jaiswal	Company secretary	January 20, 2016	Resignation
Lalit Sharma	Company secretary	January 20, 2016	Appointment
Ashok Kumar Sharma	Whole-time director	August 26, 2016	Resignation
Amiteshwar Chaudhary	Whole-time director	September 28, 2016	Appointment
Amiteshwar Chaudhary	Whole-time director	August 28, 2017	Reignation

(h) Payment of non-salary related benefits to officers of our Company

No amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of filing of this Draft Letter of Offer or is intended to be paid or given, other than in the ordinary course of their employment.

EMPLOYEE STOCK OPTION

For details of options granted under ESOP 2008 and ESOP 2009 see "*Capital Structure – Employee Stock Option Scheme*" on page 97.

OUR PROMOTER AND PROMOTER GROUP

The Promoters of our Company are Sameer Gehlaut, Orthia Constructions Private Limited, Orthia Properties Private Limited, Zelkova Builders Private Limited, Inuus Properties Private Limited and Inuus Developers Private Limited. As on the date of this Draft Letter of Offer, the Promoters, together hold 152,748,802 Equity Shares, representing 34.53% of the pre-Issue issued, subscribed, and paid-up capital of our Company.

For details of shareholding of our Promoters and Promoter Group in our Company, see "*Capital Structure– History of the Equity Share Capital held by our Promoters*" on page 89.

INDIVIDUAL PROMOTER

Sameer Gehlaut

Sameer Gehlaut, aged 43 years, is the Chairman and Non-executive Director (Additional) on the Board of our Company. He is a resident Indian national. For further details, see "*Our Management – Board of Directors*" on page 183.

The voter identification number of Sameer Gehlaut is IYV1633650 and his driving license number is MH-01-2004/43577.

Our Company confirms that the permanent account number, bank account number, and passport number of Sameer Gehlaut shall be submitted to the Stock Exchanges at the time of filing of this Draft Letter of Offer with the Stock Exchanges.

CORPORATE PROMOTERS

1. ***Orthia Constructions Private Limited ("OCPL")***

(a) ***Corporate information***

OCPL was incorporated on December 22, 2009 at New Delhi, India, under the Companies Act, 1956, as a private limited company. As on date of this Draft Letter of Offer, OCPL holds 39,701,671 Equity Shares, representing 8.97% of the total paid-up capital of our Company. The registered office of OCPL is situated at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India. The principal business of OCPL among other things is carrying on the business of development of infrastructure and to purchase, sell develop, construct hire or otherwise acquire and deal in real estate and personal properties.

The shareholders of OCPL as on the date of filing of this Draft Letter of Offer are as follows:

Sr. No.	Name of the shareholder	No. of equity shares	Percentage (%)
1.	Inuus Properties Private Limited	9,999	100
2.	Divya S. Gehlaut (nominee of IPPL)	1	-
TOTAL		**10,000**	**100**

(b) ***Board of directors of OCPL***

The board of directors of OCPL comprises:

1. Karan Singh Khera; and

2. Divya S. Gehlaut.

(c) *Promoters of OCPL*

Sameer Gehlaut and Inuus Properties Private Limited are the promoters of OCPL.

(d) *Shareholding of the directors of OCPL in our Company as on the date of filing of this Draft Letter of Offer*

Name of the director	Number of Equity Shares	Percentage of total outstanding paid up Equity Share capital
Karan Singh Khera	-	-
Divya S Gehlaut	-	-

(e) *Change in the management and control of OCPL*

Other than change in directors in the ordinary course, there has been no change in the management and control of OCPL in the last three years preceding the date of this Draft Letter of Offer.

Our Company confirms that the permanent account number, bank account numbers, company registration number, and the address of the RoC where the registered office of OCPL is situated, shall be submitted to the Stock Exchanges at the time of filing this Draft Letter of Offer with the Stock Exchanges.

2. *Orthia Properties Private Limited ("OPPL")*

(a) *Corporate information*

OPPL was incorporated on December 18, 2009 at New Delhi, India, under the Companies Act, 1956, as a private limited company. As on date of this Draft Letter of Offer, OPPL holds 39,981,305 Equity Shares, representing 9.04% of the total paid-up capital of our Company. The registered office of OPPL is situated at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India. The principal business of OPPL among other things is carrying on the business of development of infrastructure and to purchase, sell develop, construct, hire or otherwise acquire and deal in real estate and personal properties. The shareholders of OPPL as on the date of filing of this Draft Letter of Offer are as follows:

Sr. No.	Name of the shareholder	No. of equity shares	Percentage (%)
1.	Inuus Developers Private Limited	9,999	100
2.	Divya S. Gehlaut (nominee of IDPL)	1	-
TOTAL		**10,000**	**100**

(b) *Board of directors of OPPL*

The board of directors of OPPL comprises:

1. Narendra Gehlaut; and

2. Divya S. Gehlaut

(c) *Promoters of OPPL*

Sameer Gehlaut and Inuus Developers Private Limited are the promoters of OPPL.

(d) ***Shareholding of the directors of OPPL in our Company as on the date of the filing of this Draft Letter of Offer***

Name of the director	Number of Equity Shares	Percentage of total outstanding paid up Equity Share capital
Divya S. Gehlaut	-	-
Narendra Gehlaut	-	-

(e) ***Change in the management and control of OPPL***

Other than change in directors in the ordinary course, there has been no change in the management and control of OPPL in the last three years preceding the date of this Draft Letter of Offer.

Our Company confirms that the permanent account number, bank account numbers, company registration number, and the address of the RoC where the registered office of OPPL is situated, shall be submitted to the Stock Exchanges at the time of filing this Draft Letter of Offer with the Stock Exchanges.

3. ***Zelkova Builders Private Limited ("ZBPL")***

(a) ***Corporate information***

ZBPL was incorporated on July 27, 2012 at New Delhi, India, under the Companies Act, 1956, as a private limited company. As on date of this Draft Letter of Offer, ZBPL holds 32,907,534 Equity Shares, representing 7.44% of the total paid-up capital of our Company. The registered office of ZBPL is situated at 296 Forest Lane, Sainik Farms, New Delhi-110 068. The principal business of ZBPL, among other things, is carrying on the business of development of infrastructure and to purchase, sell develop, construct, hire or otherwise acquire and deal in real estate and personal properties. The shareholders of ZBPL as on the date of filing of this Draft Letter of Offer are as follows:

Sr. No.	Name of the shareholder	No. of equity shares	Percentage (%)
1.	Inuus Properties Private Limited	9,999	100
2.	Divya S. Gehlaut (nominee of IPPL)	1	-
TOTAL		**10,000**	**100**

(b) ***Board of directors of ZBPL***

The board of directors of ZBPL comprises:

1. Narendra Gehlaut; and
2. Divya S. Gehlaut

(c) ***Promoters of ZBPL***

Sameer Gehlaut and Inuus Properties Private Limited are the promoters of ZBPL.

(d) ***Shareholding of the directors of ZBPL in our Company as on the date of the filing of this Draft Letter of Offer***

Name of the director	Number of Equity Shares	Percentage of total outstanding paid up Equity Share capital
Divya S. Gehlaut	-	-
Narendra Gehlaut	-	-

(e) ***Change in the management and control of ZBPL***

Other than change in directors in the ordinary course, there has been no change in the management and control of ZBPL in the last three years preceding the date of this Draft Letter of Offer.

Our Company confirms that the permanent account number, bank account numbers, company registration number, and the address of the RoC where the registered office of ZBPL is situated, shall be submitted to the Stock Exchanges at the time of filing this Draft Letter of Offer with the Stock Exchanges.

4. ***Inuus Properties Private Limited ("IPPL")***

(a) ***Corporate information***

IPPL was incorporated on December 23, 2009 at New Delhi, India under the Companies Act, 1956, as a private limited company. As on date of this Draft Letter of Offer, IPPL does not hold any Equity Shares, of our Company. However, IPPL holds 17,000,000 warrants issued by our Company convertible into equivalent number of Equity Shares, at an exercise price of ₹43.75 per Equity Share. The registered office of IPPL is situated at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India. The principal business of IPPL, among other things, is carrying on the business of development of infrastructure and to purchase, sell develop, construct, hire or otherwise acquire and deal in real estate and personal properties. The shareholders of IPPL as on the date of filing of this Draft Letter of Offer are as follows:

Sr. No.	Name of the shareholder	No. of equity shares	Percentage (%)
1.	Sameer Gehlaut	9,999	100
2.	Divya S. Gehlaut (as a nominee of Sameer Gehlaut)	1	-
TOTAL		**10,000**	**100**

(b) ***Board of directors of IPPL***

The board of directors of IPPL comprises:

1. Sameer Gehlaut; and

2. Divya S. Gehlaut

(c) ***Promoter of IPPL***

Sameer Gehlaut is the promoter of IPPL.

(d) ***Shareholding of the directors of IPPL in our Company***

Name of the director	Number of Equity Shares	Percentage of total outstanding paid up Equity Share capital
Sameer Gehlaut	40,158,292	9.08

Divya S. Gehlaut	-	-

(e) ***Change in the management and control of IPPL***

Other than change in directors in the ordinary course, there has been no change in the management and control of IPPL in the last three years preceding the date of this Draft Letter of Offer.

Our Company confirms that the permanent account number, bank account numbers, company registration number, and the address of the RoC where the registered office of IPPL is situated, shall be submitted to the Stock Exchanges at the time of filing this Draft Letter of Offer with the Stock Exchanges.

5. ***Inuus Developers Private Limited ("IDPL")***

(a) ***Corporate information***

IDPL was incorporated on December 22, 2009 at New Delhi, India under the Companies Act, 1956, as a private limited company. As on date of this Draft Letter of Offer, IDPL does not hold any Equity Shares, of our Company. However, IDPL holds 16,800,000 warrants issued by our Company convertible into equivalent number of Equity Shares, at an exercise price of ₹43.75 per Equity Share. The registered office of IDPL is situated at M-62 & 63, First Floor, Connaught Place, New Delhi-110 001, India. The principal business of IDPL, among other things, is carrying on the business of development of infrastructure and to purchase, sell develop, construct, hire or otherwise acquire and deal in real estate and personal properties. The shareholders of IDPL as on the date of filing of this Draft Letter of Offer are as follows:

Sr. No.	Name of the shareholder	No. of equity shares	Percentage (%)
1.	Sameer Gehlaut	9,999	100
2.	Divya S. Gehlaut (as a nominee of Sameer Gehlaut)	1	-
TOTAL		**10,000**	**100**

(b) ***Board of directors of IDPL***

The board of directors of IDPL comprises:

1. Sameer Gehlaut; and

2. Divya S. Gehlaut

(c) ***Promoter of IDPL***

Sameer Gehlaut is the promoter of IDPL.

(d) ***Shareholding of the directors of IDPL in our Company***

Name of the director	Number of Equity Shares	Percentage of total outstanding paid up Equity Share capital
Sameer Gehlaut	40,158,292	9.08
Divya S. Gehlaut	-	-

(e) ***Change in the management and control of IDPL***

Other than change in directors in the ordinary course, there has been no change in the management and control of IDPL in the last three years preceding the date of this Draft Letter of Offer.

Our Company confirms that the permanent account number, bank account numbers, company registration number, and the address of the RoC where the registered office of IDPL is situated, shall be submitted to the Stock Exchanges at the time of filing this Draft Letter of Offer with the Stock Exchanges.

INTERESTS OF PROMOTERS

Interests of Promoters in promotion of our Company

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding in our Company, warrants convertible into Equity Shares and the dividends payable, if any, and any other distributions in respect of the Equity Shares held by them.

Interests of Promoters in property of our Company

Our Promoters have no interest in any property acquired or proposed to be acquired by our Company within two years from the date of this Draft Letter of Offer, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Business Interests

None of our Promoters are interested as a member of a firm or company and no sum has been paid or agreed to be paid to any of our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by such Promoter(s) or by such firm or company in connection with the promotion or formation of our Company.

Related Party Transactions

For details of related party transactions entered into by our Company with our Promoters, Subsidiaries and Group Entities during the last Fiscal, the nature of transactions and the cumulative value of transactions, see "*Related Party Transactions*" on page 214.

Payment or benefits to our Promoters or Promoter Group

Except as stated above, and otherwise as disclosed in the sections "*Related Party Transactions*" on page 214 and "*Our Management*" on page 183, there has been no payment or benefit to our Promoters or Promoter Group during the two years prior to the filing of this Draft Letter of Offer, nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Letter of Offer.

COMMON PURSUITS

Except Indiabulls Housing Finance Limited and Indiabulls Real Estate Limited, in which Sameer Gehlaut, the individual Promoter of our Company is a director, none of our Promoters have any interest in any venture that is involved in activities similar to those conducted by our Company.

COMPANIES WITH WHICH OUR PROMOTER HAS DISASSOCIATED IN THE LAST THREE YEARS

Other than changes in directorships in the ordinary course of our individual Promoter, our Promoters have not disassociated themselves from any company during the last three years preceding the date of this Draft Letter of Offer.

c

CHANGE IN THE MANAGEMENT AND CONTROL OF OUR COMPANY

Mr. Sameer Gehlaut alongwith Mr Rajiv Rattan and Mr Saurabh Mittal became the promoters of our Company, effective from December 24, 2007, pursuant to the Scheme of Amalgamation. Prior to the Scheme of Amalagamtion, IBFSL was the promoter of our Company since April 2, 2001. Pursuant to the Scheme of Amalgamation, our Company was demerged from its holding company, IBFSL (holding 100% shareholding in our Company), with the entire shareholding of IBFSL in our Company being extinguished. Fresh shares were thereafter issued to the shareholders of IBFSL pursuant to the Scheme of Amalgamation.

To impart greater focus and undivided accountability at the leadership level and to rationalize operations of the diverse businesses, so as to put our Company firmly on the growth path, the erstwhile promoters and our individual Promoter mutually decided to reorganize the management control of different group companies amongst themselves. As part of the restructuring, with effect from July 18, 2014, Mr. Rajiv Rattan, Priapus Land Development Private Limited, Inuus Constructions Private Limited, Mr. Saurabh Kumar Mittal, Hespera Land Development Private Limited and Hespera Constructions Private Limited ceased to be the promoters/promoter group/ persons acting in concert with the Promoters of our Company.

OTHER CONFIRMATIONS

Our Promoters and the relatives of our Individual Promoter and members of our Promoter Group have not been declared as Wilful Defaulters. Other than as disclosed in "*Outstanding Litigations and Material Developments*" on page 371, there are no violations of securities laws committed by our Promoters and members of the Promoter Group in the past, and no proceedings for violation of securities laws are pending against them.

Our Promoters and members of our Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI, or any other regulatory or governmental authority.

Our Promoters are not, and have not been in the past, promoter, director or persons in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in "*Outstanding Litigation and Material Developments*" on page 371 there is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last five years preceding the date of the Offer against our Promoters.

Except as disclosed in " – *Interests of Promoters*" and "*Government and Other Approvals*" on page 203 and 381, respectively, our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

Our Promoters have not taken any unsecured loans which may be recalled by the lenders at any time.

Except as disclosed in "*Related Party Transactions*" on page 214, there have been no sales or purchases between our Company and Promoter Group where such sale or purchase exceeded in value in the aggregate of 10% of the total sales or purchase of our Company.

GROUP COMPANIES

*As per the SEBI ICDR Regulations, for the purpose of identification of 'group companies', our Company has considered such companies covered under the applicable accounting standard, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountants of India ("**AS 18**") as per the Restated Consolidated Financial Statements, and other companies considered material by our Board of Directors. Pursuant to a resolution of our Board dated September 26, 2017, for the purpose of disclosure in this Draft Letter of Offer and Letter of Offer, apart from companies covered under AS 18 in terms of the Restated Consolidated Financial Statements, a company shall be considered material and disclosed as a Group Company of our Company if (i) the company is a member of the Promoter Group and our Company has entered into one or more transactions with such company in any of the last five financial years and relevant interim period (in respect of which, financial statements are included in this Draft Letter of Offer and Letter of Offer, as applicable), cumulatively exceeding 10% of the total consolidated revenue of our Company for the relevant financial year / the interim period during which the transaction(s) was / were undertaken; and / or (ii) companies which, subsequent to the date of the last audited consolidated financial statements of our Company, would require disclosure in the consolidated financial statements of our Company for subsequent periods as companies covered under AS 18 in addition to / other than those companies that are already covered under AS 18 in the Restated Consolidated Financial Statements.*

Unless otherwise specified, all information in this section is as of the date of this Draft Letter of Offer.

The following companies have been identified as Group Companies of our Company:

1. IVL Finance Limited
2. Pushpanjli Finsolutions Limited
3. Pushpanjli Fincon Limited
4. Arbutus Constructions Limited
5. Gyansagar Buildtech Limited
6. Astraea Constructions Limited
7. Silenus Buildtech Limited
8. Astilbe Builders Limited
9. Auxesia Soft Solutions Limited
10. Positive Housings Private Limited
11. Indiabulls Distribution Services Limited
12. Indiabulls Commodities Limited
13. Indiabulls Asset Reconstruction Compcany Limited
14. Devata Tradelink Limited
15. Indiabulls Investment Advisors Limited
16. Indiabulls Alternate Investments Limited
17. Indiabulls Consumer Products Limited
18. Indiabulls Logistics Limited
19. Indiabulls Infra Resources Limited
20. India Ethanol and Sugar Limited

DETAILS OF THE TOP FIVE GROUP COMPANIES

None of the Group Companies are listed on the Stock Exchanges. The details of top five unlisted Group Companies based on turnover are as follows:

(a) Indiabulls Distribution Services Limited ("IDSL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by IDSL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in IDSL.

Financial Information

The following information has been derived from the audited financial statements of IDSL for the last three Fiscal Years:

(₹ in million, except per share data)

Particulars	For the Fiscal Year		
	2017	2016	2015
Equity capital	0.50	0.50	0.50
Revenue from operations and other income	3,614.01	1,662.47	2,296.58
Profit / Loss after tax	1,364.29	(133.67)	483.11
Reserves (excluding revaluation reserves) and Surplus	1,222.99	(20.94)	112.73
Basic earnings per share	27,285.74	(2,673.35)	9,662.11
Diluted earnings per share	27,285.74	(2,673.35)	9,662.11
Net Asset Value per share	24,469.89	(408.70)	2,264.64

(b) IVL Finance Limited ("IVLFL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by IVLFL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in IVLFL.

Financial Information

The following information has been derived from the audited financial statements of IVLFL for the last three Fiscal Years:

(₹ in *million, except per share data)*

Particulars	For the Fiscal Year		
	2017	2016	2015
Equity capital	52.19	23.17	23.17
Revenue from operations and other income	572.43	142.89	61.82
Profit / Loss after tax	66.94	13.75	4.36
Reserves (excluding revaluation reserves) and Surplus	2,033.66	895.73	881.98
Basic earnings per share	27.75	5.94	1.88
Diluted earnings per share	27.75	5.94	1.88
Net Asset Value per share	399.66	396.66	390.72

(c) Indiabulls Commodities Limited ("ICL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by ICL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in ICL.

Financial Information

The following information has been derived from the audited financial statements of ICL for the last three Fiscal Years:

(₹ in million, except per share data)

Particulars	For the Fiscal Year		
	2017	2016	2015
Equity capital	6.00	6.00	6.00
Revenue from operations and other income	234.61	163.28	120.75
Profit / Loss after tax	203.24	89.06	11.48
Reserves (excluding revaluation reserves) and Surplus	263.83	235.35	146.29
Basic earnings per share	338.74	148.44	19.14
Diluted earnings per share	338.74	148.44	19.14
Net Asset Value per share	449.72	402.25	253.81

(d) Gyansagar Buildtech Limited ("GBL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by GBL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in GBL.

Financial Information

The following information has been derived from the audited financial statements of GBL for the last three Fiscal Years:

(₹ in million, except per share data)

Particulars	For the Fiscal Year		
	2017	2016	2015
Equity capital	1.10	1.10	1.10
Revenue from operations and other income	21.51	18.48	18.55
Profit / Loss after tax	(1.85)	(1.03)	0.93
Reserves (excluding revaluation reserves) and Surplus	9.91	11.76	12.79
Basic earnings per share	(16.86)	(9.37)	8.49
Diluted earnings per share	(16.86)	(9.37)	8.49
Net Asset Value per share	100.07	116.93	126.30

(e) Indiabulls Alternate Investments Limited ("IAIL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by IAIL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in IAIL.

Financial Information

The following information has been derived from the audited financial statements of IAIL for the last three Fiscal Years:

(₹ in million, except per share data)

Particulars	For the Fiscal Year		
	2017	**2016**	**2015***
Equity capital	50.50	0.50	-
Revenue from operations and other income	13.26	-	-
Profit / Loss after tax	6.14	(0.48)	-
Reserves (excluding revaluation reserves) and Surplus	5.66	(0.48)	-
Basic earnings per share	2.69	(9.67)	-
Diluted earnings per share	2.69	(9.67)	-
Net Asset Value per share	11.12	0.33	-

* *IAIL was incorporated on February 10, 2016 as a public limited company under the Companies Act, 2013.*

DETAILS OF OUR OTHER GROUP COMPANIES

(a) Pushpanjli Finsolutions Limited ("PFIL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by PFIL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in PFIL.

(b) Pushpanjli Fincon Limited ("PFL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by PFL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in PFL.

(c) Arbutus Constructions Limited ("ACL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by ACL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in ACL.

Loss making

ACL was a loss making entity in the Fiscal Years 2017, 2016 and 2015. Hence, please see below brief financial details extracted from the audited accounts for the past three Fiscal Years:

(*₹ in million, except per share data)*

Particulars	For the Fiscal Year		
	2017	2016	2015
Equity capital	1.10	1.10	1.10
Revenue from operations and other income	1.52	1.54	1.70
Profit/Loss after tax	(1.42)	(1.23)	(2.49)
Reserves (excluding revaluation reserves) and Surplus	2.12	3.54	4.77
Basic EPS (in ₹)	(12.92)	(11.17)	(22.70)
Diluted EPS (in ₹)	(12.92)	(11.17)	(22.70)
NAV per share (in ₹)	29.29	42.21	53.39

(d) Astraea Constructions Limited ("ASCL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by ASCL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in ASCL.

(e) Silenus Buildtech Limited ("SBL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by SBL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in SBL.

(f) Astilbe Builders Limited ("ABL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by ABL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in ABL.

(g) Auxesia Soft Solutions Limited ("ASSL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by ASSL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in ASSL.

(h) Indiabulls Asset Reconstruction Compcany Limited ("IARCL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by IARCL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in IARCL.

(i) Devata Tradelink Limited ("DTL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by DTL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in DTL.

Negative net worth and loss making

DTL had a negative net worth and was a loss making entity in Fiscal Years 2017 and 2015. Hence, please see below brief financial details extracted from the audited accounts for the past three Fiscal Years:

(₹ in million, except per share data)

Particulars	For the Fiscal Year		
	2017	**2016**	**2015**
Equity capital	0.50	0.50	0.50
Revenue from operations and other income	0.85	0.20	-
Profit / Loss after tax	(1.27)	0.08	(0.07)
Reserves (excluding revaluation reserves) and Surplus	(1,807.52)	(1,806.24)	(1,806.33)
Basic earnings per share	(25.41)	1.66	(1.33)
Diluted earnings per share	(25.41)	1.66	(1.33)
Net Asset Value per share	(36,140.31)	(36,114.90)	(36,116.56)

(j) Indiabulls Investment Advisors Limited ("IIAL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by IIAL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in IIAL.

(k) Indiabulls Consumer Products Limited ("ICPL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by ICPL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in ICPL.

(l) Indiabulls Logistics Limited ("ILL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by ILL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in ILL.

Loss making

ILL was a loss making entity in the Fiscal Year 2017. Hence, please see below brief financial details extracted from the audited accounts for the past three Fiscal Years:

(₹ in million, except per share data)

Particulars	**For the Fiscal Year**		
	2017	**2016***	**2015***
Equity capital	0.50	-	-
Revenue from operations and other income	-	-	-
Profit/Loss after tax	(0.25)	-	-
Reserves (excluding revaluation reserves) and Surplus	(0.25)	-	-
Basic EPS (in ₹)	(4.94)	-	-
Diluted EPS (in ₹)	(4.94)	-	-
NAV per share (in ₹)	5.06	-	-

* *ILL was incorporated on January 19, 2017 as a public limited company under the Companies Act, 2013.*

(m) Indiabulls Infra Resources Limited ("IIRL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by IIRL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in IIRL.

Loss making

IIRL was a loss making entity in the Fiscal Year 2017. Hence, please see below brief financial details extracted from the audited accounts for the past three Fiscal Years:

(₹ in *million, except per share data)*

Particulars	**For the Fiscal Year**		
	2017	**2016***	**2015***
Equity capital	30.00	-	-
Revenue from operations and other income	0.06	-	-
Profit/Loss after tax	(0.55)	-	-
Reserves (excluding revaluation reserves) and Surplus	(0.55)	-	-
Basic EPS (in ₹)	0.18	-	-

Particulars	For the Fiscal Year		
	2017	2016*	2015*
Diluted EPS (in ₹)	0.18	-	-
NAV per share (in ₹)	9.82	-	-

* *IIRL was incorporated on February 1, 2017 as a public limited company under the Companies Act, 2013.*

(n) India Ethanol and Sugar Limited ("IESL")

Corporate Information

For details in connection with the incorporation and nature of activities carried out by IESL, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 164.

Interest of our Promoter

None of our Promoters have any interest in IESL.

NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES

(a) In the promotion of our Company

None of our Group Companies have any interest in the promotion, or other interests in our Company.

(b) In the properties acquired or proposed to be acquired by our Company in the past two years before filing this Draft Letter of Offer with SEBI

None of our Group Companies are interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Draft Letter of Offer.

(c) In transactions for acquisition of land, construction of building and supply of equipment

None of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

COMMON PURSUITS AMONG THE GROUP COMPANIES WITH OUR COMPANY

Except, Indiabulls Commodities Limited which is engaged in the business of commodity broking, which is similar to business of providing securities and derivative broking services of our Company, there are no common pursuits between any of our Group Companies and our Company.

BUSINESS TRANSACTIONS WITHIN THE GROUP COMPANIES AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

For details in relation to business transactions between Group Companies and our Company and significance of such transactions on the financial performance of our Company, please see "*Financial Statements – Related Party Transactions*" on page 271.

SIGNIFICANT SALE / PURCHASE BETWEEN GROUP COMPANIES AND OUR COMPANY

Except as disclosed in "*Related Party Transactions*" on page 214, our Group Companies are not involved in any significant sales or purchases with our Company where such sales or purchases exceed the aggregate value of 10% of the total sales or purchases of our Company.

BUSINESS INTEREST OF GROUP COMPANIES

Except as disclosed in "*Related Party Transactions*" on page 214, none of our Group Companies have any business interest in our Company.

DEFUNCT GROUP COMPANIES

None of our Group Companies remain defunct, and no application has been made to the RoC for striking off the name of any of our Group Companies during the five years preceding the date of filing of this Draft Letter of Offer with SEBI. None of our Group Companies fall under the definition of sick companies under SICA and none of them are under winding up. Further, except as disclosed in "—*Details of our Group Companies*" on page 205, none of our Group Companies have a negative net-worth.

LOSS MAKING GROUP COMPANIES

Other than GBL, DTL, IIRL, ILL and ACL, none of our Group Companies has incurred losses in last Fiscal Year.

LITIGATION

Other than as disclosed in "*Outstanding Litigations and Material Developments*" on page 371, there is no litigation pending, or threatened against any of our Group Companies.

CONFIRMATIONS

(a) None of the securities of our Group Companies are listed on any stock exchange, and none of our Group Companies have made any public or rights issue of securities in the preceding three years.

(b) None of the Group Companies have been debarred from accessing the capital market for any reasons by SEBI, or any other regulatory authorities.

(c) None of the Group Companies have been identified as Wilful Defaulters.

(d) None of the Group Companies have outstanding unsecured loans, which may be recalled by the lenders at any time.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during the last five Fiscals, as per the requirement under Accounting Standard 18 "Related Party Disclosures" issued by ICAI, see "*Financial Statements – Restated Consolidated Summary Statement of Related Party Transactions*" and "*Financial Statements –Restated Standalone Summary Statement of Related Party Transactions*" and on pages 271 and 315, respectively.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act, 2013. The dividend, if any, will depend on a number of factors, including but not limited to, the future expansion plans and capital requirements, profit earned during the Financial Year, capital requirements, and surpluses, contractual restrictions, liquidity and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of, or may enter into, to finance our fund requirements for our business activities. For further details, see "*Financial Indebtedness*" on page 360.

Dividends Paid on Equity Shares

The dividends declared by our Company on the Equity Shares in each of the Financial Years 2013, 2014, 2015, 2016 and 2017, as per our Restated Financial Statements are given below.

Particulars	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017
Face value of Equity Shares (per share in ₹)	2	2	2	2	2
Amount of dividend on Equity Shares (₹ in million)	462.23	924.45	1,041.16	877.13	320.21
Dividend on each Equity Share (₹)	2.00	4.00	4.00	3.00	1.00
Dividend distribution tax (₹ in million)	74.98	84.03	112.96	148.03	15.27
Dividend rate for Equity Shares (%)	100	200	200	150	50

The amount paid as dividends in the past is not necessarily indicative of our dividend policy or dividend amount, if any, in the future and there is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in future. For details in relation to the risk involved, see "*Risk Factors – Our ability to pay dividends in the future will depend upon our earnings, financial condition, cash flows and capital requirements*" on page 46.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Indiabulls Ventures Limited
(formerly known as Indiabulls Securities Limited)
M-62 & 63, First floor,
Connaught Place,
New Delhi – 110 001

Dear Sirs,

1. We have examined, as appropriate (refer paragraph 4 below), the attached Restated Consolidated Financial Information of Indiabulls Ventures Limited (the "Company"), its subsidiaries and its associates (collectively known as the "Group"), which comprise of the Summary Statement of Restated Consolidated Assets and Liabilities as at March 31, 2017, 2016, 2015, 2014 and 2013, the Summary Statements of Restated Consolidated Profit and Loss and the Summary Statements of Restated Consolidated Cash Flows for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 and the Summary of Significant Accounting Policies and other notes thereto (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on September 28, 2017 for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Rights Issue prepared in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules);

   b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations"); and

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India as amended from time to time (the "Guidance Note").

2. The preparation of the Restated Consolidated Financial Information is the responsibility of the management of the Company for the purpose set out in paragraph 10 below. The management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The management is also responsible for identifying and ensuring that the Company complies with the Act, the Rules, ICDR Regulations and the Guidance Note.

   Our responsibility is to examine the Restated Consolidated Financial Information and confirm whether such Restated Consolidated Financial Information comply with the requirements of the Act, the Rules, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated September 14, 2017 in connection with the proposed offer of equity shares of the Company;

b) The Guidance Note; and

c) The Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which include the concepts of test checks and materiality. This Guidance Note requires us to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information. This Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

4. These Restated Consolidated Financial Information have been compiled by the management from the audited consolidated financial statements as at and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 which have been approved by Board of directors at their meetings held on April 27, 2017, May 6, 2016, April 24, 2015, April 22, 2014 and April 23, 2013 respectively.

   We did not audit the financial statements of the subsidiaries for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 and associates for the years ended March 31, 2014 and 2013 (details furnished in Appendix I). The financial statements and other financial information for the subsidiaries and associates have been audited by other firms of Chartered Accountants (the "other auditors"), whose reports have been furnished to us, and our opinion in so far as it relates to the amounts included in the Restated Consolidated Financial Information of the subsidiaries and associates is based solely on the report of such other auditors.

   These other auditors, as mentioned in paragraph 4 of certain subsidiaries, have confirmed that the Restated Consolidated Financial Information:

   a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

   b) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

   c) do not contain any extra-ordinary items that need to be disclosed separately in the Restated Consolidated Financial Information and do not contain any qualification requiring adjustments.

5. Based on our examination, we report that:

   a) The Summary Statement of Restated Consolidated Assets and Liabilities of the Group, as at March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure-I to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Notes to Statement of Adjustments to Consolidated Financial Statements as set out in Annexure-IV.

      The Summary Statement of Restated Consolidated Profits and Loss of the Group for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure-II to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Notes to Statement of Adjustments to Consolidated Financial Statements as set out in Annexure-IV

   b) The Summary Statement of Restated Consolidated Cash Flows of the Group, for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in

Annexure-III to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Notes to Statement of Adjustments to Consolidated Financial Statements as set out in Annexure-IV.

c) Based on the above, according to the information and explanations given to us, we further report that the Restated Consolidated Financial Information:

   a. have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

   b. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

   c. do not contain any extra-ordinary items that need to be disclosed separately and do not contain any qualification requiring adjustments.

6. We have also examined the following Restated Consolidated Financial Information of the Group set out in the Annexures, proposed to be included in the offer document, prepared by the management and approved by the Board of Directors on September 28, 2017 for the years ended March 31, 2017, 2016, 2015, 2014, and 2013:

   (i) Summary Statement of Restated Consolidated Share Capital included in Note 3 to Annexure V
   (ii) Summary Statement of Restated Consolidated Reserves and Surplus included in Note 4 to Annexure V
   (iii) Summary Statement of Restated Consolidated Money Received against Share Warrants included in Note 5 to Annexure V
   (iv) Summary Statement of Restated Consolidated Share Application Money Pending Allotment included in Note 6 to Annexure V
   (v) Summary Statement of Restated Consolidated Long Term Borrowings included in Note 7 to Annexure V
   (vi) Summary Statement of Restated Consolidated Deferred Tax Liabilities (Net) included in Note 8 to Annexure V
   (vii) Summary Statement of Restated Consolidated Other Long Term Liabilities included in Note 9 to Annexure V
   (viii) Summary Statement of Restated Consolidated Long Term Provisions included in Note 10 to Annexure V
   (ix) Summary Statement of Restated Consolidated Short Term Borrowings included in Note 11 to Annexure V
   (x) Summary Statement of Restated Consolidated Trade Payables included in Note 12 to Annexure V
   (xi) Summary Statement of Restated Consolidated Other Current Liabilities included in Note 13 to Annexure V
   (xii) Summary Statement of Restated Consolidated Short Term Provision included in Note 14 to Annexure V
   (xiii) Summary Statement of Restated Consolidated Fixed Assets included in Note 15 to Annexure V
   (xiv) Summary Statement of Restated Consolidated Goodwill on Consolidation included in Note 16 to Annexure V
   (xv) Summary Statement of Restated Consolidated Non-Current Investments included in Note 17 to Annexure V

(xvi) Summary Statement of Restated Consolidated Deferred Tax Assets (Net) included in Note 18 to Annexure V
(xvii) Summary Statement of Restated Consolidated Long-term Loans and Advances included in Note 19 to Annexure V
(xviii) Summary Statement of Restated Consolidated Other Non-Current Assets included in Note 20 to Annexure V
(xix) Summary Statement of Restated Consolidated Current Investments included in Note 21 to Annexure V
(xx) Summary Statement of Restated Consolidated Trade Receivables included in Note 22 to Annexure V
(xxi) Summary Statement of Restated Consolidated Cash and Cash Equivalents included in Note 23 to Annexure V
(xxii) Summary Statement of Restated Consolidated Short Term Loans and Advances included in Note 24 to Annexure V
(xxiii) Summary Statement of Restated Consolidated Other Current Assets included in Note 25 to Annexure V
(xxiv) Summary Statement of Restated Consolidated Revenue from Operations included in Note 26 to Annexure V
(xxv) Summary Statement of Restated Consolidated Other Income included in Note 27 to Annexure V
(xxvi) Summary Statement of Restated Consolidated Operating Expenses included in Note 28 to Annexure V
(xxvii) Summary Statement of Restated Consolidated Employee Benefit Expenses included in Note 29 to Annexure V
(xxviii) Summary Statement of Restated Consolidated Finance Costs included in Note 30 to Annexure V
(xxix) Summary Statement of Restated Consolidated Other Expenses included in Note 31 to Annexure V
(xxx) Notes to the Restated Consolidated Financial Statements contained in Note 32 to Note 48 to Annexure V
(xxxi) Statement on Adjustments to Consolidated Financial Statements included in Annexure IV
(xxxii) Summary Statement of Restated Consolidated Accounting Ratios included in Annexure VI
(xxxiii) Statement of Capitalisation included in Annexure VII
(xxxiv) Restated Statement of Consolidated Dividend Paid / Proposed by the Company included in Annexure VIII

According to the information and explanations given to us, in our opinion, the Restated Consolidated Financial Information and the above restated consolidated financial information contained in Annexures I to VIII accompanying this report, read with Summary of Significant Accounting Policies disclosed in Note 1 and 2 of Annexure-V, are prepared after making adjustments and regroupings/reclassifications as considered appropriate [Refer Annexure-IV] and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on

any of the bfinancial statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange and Registrar of Companies, Delhi in connection with the proposed offer of equity shares of the Company on rights basis. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. Siddharth
Partner
(Membership No. 31467)

Place: Mumbai
Date: September 28, 2017

APPENDIX I

Group's share of total assets, total revenues, and net cash flows pertaining to the subsidiaries and share of profit/(Loss) of associates for the relevant period/year audited by other auditors is tabulated below:

(Rs. In millions)

Audited by other auditors	**31-Mar-17**	**31-Mar-16**	**31-Mar-15**	**31-Mar-14**		**31-Mar-13**	
	Subsidiaries	**Subsidiaries**	**Subsidiaries**	**Subsidiaries**	**Associates**	**Subsidiaries**	**Associates**
Total Assets (Gross)	16,226.28	24,387.06	22,443.63	6,160.57	*NA	2,311.84	*NA
Total Revenue (Gross)	5,760.28	3,431.09	2,962.53	2,232.85	*NA	872.24	*NA
Total Net Cash Inflows / (outflow) (net)	335.29	(200.55)	282.27	10.29	*NA	62.88	*NA
Share of Profit / (Loss) of Associates	*NA	*NA	*NA	*NA	0.99	*NA	0.66

***NA-Not Applicable**

ANNEXURE-I

SUMMARY STATEMENT OF RESTATED CONSOLIDATED ASSETS AND LIABILITIES

(Rs. In Millions)

Particulars	Note No. of Annexure V	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
I. EQUITY AND LIABILITIES						
(1) Shareholders' Funds						
(a) Share Capital	3	640.41	585.74	522.45	462.23	462.23
(b) Reserves and Surplus	4	4,023.89	2,690.93	2,628.80	1,971.67	2,026.84
(c) Money received against Share Warrants	5	166.15	-	100.56	189.18	-
		4,830.45	3,276.67	3,251.81	2,623.08	2,489.07
(2) Share application money pending allotment	6	8.62	-	10.95	-	-
(3) Non - Current Liabilities						
(a) Long-Term Borrowings	7	5.72	3,919.41	3,305.49	9.28	8.39
(b) Deferred Tax Liabilities (Net)	8	-	-	10.67	0.26	0.37
(c) Other Long-Term Liabilities	9	-	624.82	294.75	99.79	99.79
(d) Long-Term Provisions	10	107.85	82.00	64.90	50.33	50.68
		113.57	4,626.23	3,675.81	159.66	159.23
(4) Current Liabilities						
(a) Short-Term Borrowings	11	15,183.27	17,083.77	13,533.16	3,661.98	1,358.95
(b) Trade Payables	12					
(i) Total outstanding due to micro enterprises and small enterprises		-	-	-	-	-
(ii) Total outstanding due to creditors other than micro enterprises and small enterprises		34.13	31.78	37.89	4.03	18.42
(c) Other Current Liabilities	13	2,044.97	2,036.82	3,607.78	1,601.21	1,425.68
(d) Short-Term Provisions	14	122.03	56.42	66.37	135.18	38.71
		17,384.40	19,208.79	17,245.20	5,402.40	2,841.76
TOTAL		**22,337.04**	**27,111.69**	**24,183.77**	**8,185.14**	**5,490.06**
II. ASSETS						
(1) Non - Current Assets						
(a) Fixed Assets	15					
(i) Tangible Assets		768.09	5,315.98	5,499.59	268.45	318.93
(ii) Intangible Assets		57.28	70.30	53.85	41.03	3.82
(iii) Intangible Assets Under Development		0.37	-	-	-	10.00
(iv) Capital Work in Progress		78.75	363.40	114.61	-	-
		904.49	5,749.68	5,668.05	309.48	332.75
(b) Goodwill on Consolidation	16	215.32	1,349.68	1,219.39	215.33	-
(c) Non-Current Investments	17	0.05	0.05	0.05	125.37	426.30
(d) Deferred Tax Assets (Net)	18	152.40	241.08	187.61	157.23	70.87
(e) Long-Term Loans and Advances	19	706.87	611.35	210.96	599.77	325.47
(f) Other Non-Current Assets	20	4.56	178.39	167.39	57.90	117.39
		1,983.69	8,130.23	7,453.45	1,465.08	1,272.78
(2) Current Assets						
(a) Current Investments	21	1,625.00	-	693.55	198.48	-
(b) Trade Receivables	22	3,369.85	3,167.02	2,470.55	1,369.08	592.12
(c) Cash and Cash Equivalents	23	9,056.62	8,337.94	6,893.95	2,968.50	2,198.60
(d) Short-Term Loans and Advances	24	6,178.73	7,150.42	6,422.53	2,091.57	1,405.38
(e) Other Current Assets	25	123.15	326.08	249.74	92.43	21.18
		20,353.35	18,981.46	16,730.32	6,720.06	4,217.28
TOTAL		**22,337.04**	**27,111.69**	**24,183.77**	**8,185.14**	**5,490.06**

Note:
The above statement should be read with the Summary of Significant Accounting Policies and Notes to the Restated Consolidated Financial information, appearing in Annexure V; and statement on Adjustments to Consolidated Financial Statements, appearing in Annexure IV.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

A. Siddharth
Partner

Mumbai, September 28, 2017

For and on behalf of the Board of Directors

Divyesh B. Shah
Whole Time Director &
Chief Executive Officer
DIN: 00010933

Pinank Shah
Whole Time Director
DIN: 07859798

Rajeev Lochan Agrawal
Chief Financial Officer

Lalit Sharma
Company Secretary

Mumbai, September 28, 2017

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)

ANNEXURE-II

SUMMARY STATEMENT OF RESTATED CONSOLIDATED PROFIT AND LOSS

(Rs. In Millions except EPS and face value)

		Note No. of Annexure V	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
	Income						
I.	Revenue from operations	26	4,093.46	3,714.98	3,327.12	2,848.32	1,852.53
II.	Other Income	27	903.76	300.49	703.46	102.35	84.47
III.	**Total revenue (I + II)**		**4,997.22**	**4,015.47**	**4,030.58**	**2,950.67**	**1,937.00**
IV.	**Expenses :**						
	Operating expenses	28	272.73	294.09	326.77	174.03	148.40
	Employee benefit expenses	29	895.25	885.78	724.96	645.40	624.52
	Finance costs	30	1,378.34	1,474.75	603.32	252.52	82.18
	Other expenses	31	433.34	364.35	291.96	273.01	400.34
	Depreciation and amortisation expense	15	238.31	229.05	131.48	49.95	77.96
	Total expenses		**3,217.97**	**3,248.02**	**2,078.49**	**1,394.91**	**1,333.40**
V.	**Profit before tax (III-IV)**		**1,779.25**	**767.45**	**1,952.09**	**1,555.76**	**603.60**
VI.	Tax expense / (Benefit) :						
	(1) Current Tax		614.52	204.35	460.17	482.93	175.93
	Less: MAT Credit entitlement		(170.59)	(108.87)	(5.05)	-	-
	(2) Deferred Tax Expenses(net)		88.68	(64.14)	21.62	43.62	13.32
	(3) Restated adjustment for short / (excess) provision for tax		1.76	0.70	3.89	7.09	17.40
			534.37	**32.04**	**480.63**	**533.64**	**206.65**
VII.	**Net Profit After Tax befor Minority Interest**		**1,244.88**	**735.41**	**1,471.46**	**1,022.12**	**396.95**
VIII.	Minority Interest		**-**	**-**	**-**	**(0.22)**	**-**
IX.	**Profit after tax attributable to shareholders of the Company (VII-VIII)**		**1,244.88**	**735.41**	**1,471.46**	**1,022.34**	**396.95**
X.	**Earnings per Equity Share:**						
	(1) Basic (Rs.)		4.22	2.52	5.69	4.42	1.72
	(2) Diluted (Rs.)		3.99	2.50	5.27	4.32	1.72
	Face value per Equity Share (Rs.)		2.00	2.00	2.00	2.00	2.00

Note:

The above statement should be read with the Summary of Significant Accounting Policies and Notes to the Restated Consolidated Financial information, appearing in Annexure V; and statement on Adjustments to Consolidated Financial Statements, appearing in Annexure IV.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

A. Siddharth
Partner

Mumbai, September 28, 2017

For and on behalf of the Board of Directors

Divyesh B. Shah
Whole Time Director &
Chief Executive Officer
DIN: 00010933

Pinank Shah
Whole Time Director
DIN: 07859798

Rajeev Lochan Agrawal
Chief Financial Officer

Lalit Sharma
Company Secretary

Mumbai, September 28, 2017

ANNEXURE-III

SUMMARY STATEMENT OF RESTATED CONSOLIDATED CASH FLOWS

(Rs. In Millions)

	Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
A	**Cash flows from Operating Activities :**					
	Profit before Tax	**1,779.25**	**767.45**	**1,952.09**	**1,555.76**	**603.60**
	Adjustments for :					
	Interest Income from Inter-Corporate Deposits	(22.86)	(108.75)	(66.95)	(19.64)	(10.59)
	Interest Income from Loan	-	-	-	-	(26.88)
	Dividend Income on Investments	(1.36)	(3.05)	(13.17)	(21.90)	(18.34)
	Excess Provision for incentives and other expenses no longer required written back	(16.71)	(8.44)	(5.83)	(20.59)	(18.13)
	Sundry Credit Balances written back	(30.73)	(9.75)	(2.22)	(8.69)	(3.40)
	Unrealised Foreign Exchange Gain	(3.81)	(4.12)	(2.03)	(2.90)	(0.98)
	Profit on Sale of Current Investments	(12.89)	(75.89)	(72.07)	(7.54)	(1.06)
	Profit on Sale of Assets	(135.00)	(65.41)	(62.22)	-	-
	Profit on Sale of Long-Term Investments	(672.92)	-	(469.66)	(7.98)	(1.30)
	Loss / (Profit) on sale/ scrapping of fixed assets	0.73	(0.73)	(0.53)	23.37	9.05
	Share of Profit in Associates (net)	-	-	-	(0.99)	(0.66)
	Provision for Gratuity and Compensated Absences	12.49	17.14	12.60	(3.76)	(0.17)
	Interest Expense	1,348.80	1,434.12	572.40	219.39	62.36
	Loss on Disposal of Subsidiary Company	-	-	-	0.52	-
	Contingent Provisions / Loan assets written off	20.96	0.19	-	0.21	-
	Provision for Doubtful Debts, Advances and Security Deposits	12.39	1.71	0.41	3.95	39.40
	Bad Debts / Advances / Security Deposits written off	7.43	1.30	0.83	0.87	0.44
	Depreciation and Amortisation Expense	238.31	229.05	131.48	49.95	77.96
	Operating Profit before Working Capital changes	**2,524.08**	**2,174.83**	**1,975.13**	**1,760.03**	**711.31**
	Adjustments for:					
	Trade Receivable and Other Assets	450.45	(2,784.30)	(3,767.00)	2,399.80	(893.28)
	Trade Payables and Other Liabilities	(354.09)	1,069.48	(432.60)	(70.21)	(593.71)
		96.36	**(1,714.82)**	**(4,199.60)**	**2,329.59**	**(1,486.99)**
	Cash (Used in) / Generated from Operations	2,620.44	460.00	(2,224.47)	4,089.62	(775.69)
	Income Taxes Paid (net)	(664.87)	(357.62)	(455.62)	(327.92)	(173.54)
		(664.87)	**(357.62)**	**(455.62)**	**(327.92)**	**(173.54)**
	Net cash generated from / (used in) operating activities	**1,955.57**	**102.38**	**(2,680.09)**	**3,761.70**	**(949.23)**
B	**Cash flow from Investing Activities :**					
	Purchase of Fixed Assets (including Capital Advances given (net))	(143.18)	(328.72)	(41.98)	(53.94)	(33.52)
	Proceeds from Sale of Fixed Assets	2.64	3.54	1.27	6.91	4.00
	Purchase of Long-Term Investments	(51.00)	(2,405.25)	(1,693.14)	(10.50)	-
	Proceeds from Sale of Long-Term Investments	5,978.10	5.41	594.99	18.48	1.30
	Proceeds from Sale of Short-Term Investments	-	-	20.39	-	-
	Investment in Preference Share Capital	-	-	-	(750.00)	-
	Proceeds from Redemption of Preference Share Capital	-	-	-	3,700.00	-
	Investment in Optionally Convertible Debentures	-	-	-	(2,200.00)	-
	Proceeds from Sale of Rights	143.33	47.75	-	-	-
	(Purchase) / Redemption of units of Mutual Fund	(1,560.11)	769.44	(422.99)	(190.94)	401.08
	Inter-Corporate Deposits Realised / (Given) (Net)	120.00	988.27	(1,810.49)	876.38	185.00
	Other Loan Received Realised / (Given)	-	-	-		50.00
	Interest Income from Loan	-	-	-	-	26.88
	Proceeds from Escrow Account	-	-	-	16.05	-
	Dividend Income on Investments	1.35	3.04	13.18	21.90	18.33
	Interest Income from Inter-Corporate Deposits	22.86	146.26	29.45	19.64	10.59
	Net cash generated from / (used in) investing activities	**4,513.99**	**(770.26)**	**(3,309.32)**	**1,453.98**	**663.66**
C	**Cash flows from Financing Activities**					
	Money received against Share Warrants	287.86	-	-	189.18	-
	Proceeds from conversion of share warrants (including Securities Premium)	365.13	301.67	265.88	-	-
	Proceeds from / (Refund of) share application money	8.62	(1.28)	10.95	-	-
	Proceeds from issue of Equity Shares (including Securities Premium)	46.76	2.62	49.43	-	-
	(Repayment of) / Proceeds from Bank Loans (net)	(2,755.33)	2,234.56	8,628.90	627.13	504.85
	(Repayment of) / Proceeds from Other Secured Loans (net)	-	(600.00)	420.00	(5,319.20)	-
	Proceeds from Commercial Papers (net)	-	1,500.00	1,500.00	1,500.00	500.00
	Inter Corporate Deposits Taken (net)	950.00	1,000.00	1,000.00	12.50	-
	Amount transferred to investor education and protection fund	(1.96)	(3.82)	-	-	-
	Payment of Final Dividend on Equity Shares pertaining to prior years	(0.04)	(0.35)	(0.01)	(0.05)	(0.03)
	Payment of Interim Dividend on Equity Shares	(0.26)	(873.46)	(1,034.26)	(918.82)	(456.10)
	Corporate Dividend Tax on Interim Dividend on Equity Shares	(65.19)	(178.02)	(186.03)	(157.11)	(74.98)
	Interest Paid	(1,229.10)	(1,419.75)	(710.17)	(242.19)	(62.36)
	Net cash (used in) / generated from financing activities	**(2,393.51)**	**1,962.17**	**9,944.69**	**(4,308.56)**	**411.38**
D	**Net Increase in Cash and Cash equivalents (A+B+C)**	**4,076.05**	**1,294.30**	**3,955.28**	**907.12**	**125.82**
E	**Cash and Cash equivalents at the beginning of the year**	**6,902.64**	**5,608.34**	**1,642.04**	**525.31**	**399.49**
F	**Cash and bank balances on (disposal) / acquisition of subsidiaries during the year (net)**	**(3,318.54)**	**-**	**11.03**	**209.61**	**-**
G	**Cash and Cash equivalents at the end of the year (D+E+F)**	**7,660.15**	**6,902.64**	**5,608.34**	**1,642.04**	**525.31**

ANNEXURE-III

SUMMARY STATEMENT OF RESTATED CONSOLIDATED CASH FLOWS

(Rs. In Millions)

Notes:

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on 'Cash Flow Statements'.

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

	As at March 31, 2017 Amount (Rs.)	As at March 31, 2016 Amount (Rs.)	As at March 31, 2015 Amount (Rs.)	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 Amount (Rs.)
Cash and Cash equivalents (Refer note - 23 : summary statement of restated consolidated cash and cash equivalents)	9,056.62	8,337.94	6,893.95	2,968.50	2,198.60
Less: in Fixed Deposit Accounts having Maturity of more than three months	1,396.47	1,435.30	1,285.61	1,326.46	1,673.29
Cash and Cash Equivalents as restated	**7,660.15**	**6,902.64**	**5,608.34**	**1,642.04**	**525.31**

3 Unpaid dividend account balances in designated Bank accounts aggregating to Rs. 3,46.62 millions (FY 2015-16 Rs. 28.67 millions; FY 2014-15 Rs. 29.16 millions; FY 2013-14 Rs. 22.28 millions; FY 2012-13 Rs. 16.71 millions) are not available for use by the Company (Refer note - 23).

4 Previous year's figures are regrouped wherever considered necessary to conform with current year's groupings/classifications.

5 The above statement should be read with the Summary of Significant Accounting Policies and Notes to the Restated Consolidated Financial information, appearing in Annexure V; and statement on Adjustments to Consolidated Financial Statements, appearing in Annexure IV.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

A. Siddharth
Partner

Mumbai, September 28, 2017

Divyesh B. Shah
Whole Time Director &
Chief Executive Officer
DIN: 00010933

Pinank Shah
Whole Time Director
DIN: 07859798

Rajeev Lochan Agrawal
Chief Financial Officer

Lalit Sharma
Company Secretary

Mumbai, September 28, 2017

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)

ANNEXURE-IV

STATEMENT OF ADJUSTMENTS TO CONSOLIDATED FINANCIAL STATEMENTS

MATERIAL RESTATEMENT ADJUSTMENTS:

a) The summary of results of restatements made in the audited financial statements for the respective years and its impact on the profits of the Company is as follows:

Particulars		For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Net Profit for the year as per audited financial statements	A	1,022.53	738.40	1,506.39	1,016.36	632.99
Restated Adjustments:						
Add / (Less) : Interest from financing activities (Refer Note B1 & B16)		-	(49.79)	(26.44)	(41.98)	-
Add / (Less) : Bad debt recovered (Refer Note B2)		(89.41)	(30.00)	-	-	-
Add / (Less) : Excess provisions written back (Refer Note B3)		(54.85)	(1.03)	(25.75)	(43.60)	(57.40)
Add / (Less) : Salaries (Refer Note B4)		-	-	-	20.98	33.56
Add / (Less) : Stamp duty (Refer Note B5)		-	-	-	3.96	0.10
Add / (Less) : Legal and professional charges (Refer Note B6)		1.62	4.16	0.30	9.75	0.10
Add / (Less) : Rates & taxes (Refer Note B7)		-	-	10.00	-	-
Add / (Less) : Commission expenses (Refer Note B8)		-	-	-	-	10.00
Add / (Less) : Bad debts / advances / security deposits net of provisions (Refer Note B9 & B16)		10.94	0.04	0.31	0.14	14.14
Add / (Less) : Contingent provisions (Refer Note B9 & B16)		393.47	66.50	49.30	82.04	-
Add / (Less) : Interest on taxes (Refer Note B10)		7.86	10.09	3.48	(16.86)	(4.00)
Add / (Less) : Profit on disposal of subsidiary company (Refer Note B11)		50.34				
	B	**319.97**	**(0.03)**	**11.20**	**14.43**	**(3.50)**
Tax Impact :						
Add / (Less) : Restated adjustment for short / (excess) provision for tax (Refer Note B12)		(0.40)	3.29	(34.75)	9.28	(227.89)
Deferred Tax impact due to above adjustments (Refer Note B13)		(97.22)	(6.25)	(11.38)	(17.73)	(4.65)
	C	**(97.62)**	**(2.96)**	**(46.13)**	**(8.45)**	**(232.54)**
Restated profits	(A + B + C)	**1,244.88**	**735.41**	**1,471.46**	**1,022.34**	**396.95**

Note:

The above statement should be read with the notes to summary statement of restated consolidated assets and liabilities, summary statement of restated consolidated profit and loss and summary statement of restated consolidated cash flows as appearing in Annexure I,II and III respectively.

Notes on Material Adjustments

A

Reconciliation of Opening balance of Surplus in the Statement of Profit and Loss		(Rs. In millions)
Net surplus in statement of profit and loss as at April 01, 2012 as per audited financial statements	A	1,379.53
Restated Adjustments:		
Add / (Less) : Salaries		62.29
Add / (Less) : Stamp duty		(4.05)
Add / (Less) : Telephone Expenses		3.10
Add / (Less) : Interest on taxes		(0.57)
Add / (Less) : Rates & taxes		(10.00)
Add / (Less) : Legal and professional charges		(15.93)
Add / (Less) :Bad debts / advances / security deposits net of provision		(25.09)
Add / (Less) : Tax Expense		268.72
Add / (Less) : Others		0.57
Total	B	279.04
Net surplus in summary statement of restated consolidated profit and loss as at April 01, 2012	(A + B)	**1,658.57**

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B **Restated Adjustments**

1.**Interest from financing activities**

The Statement of Profit and Loss for certain financial years include Bad debts written off which have been adjusted in respective years alongwith their provisions of doubtful debts. Corresponding revenue recognised has been also reversed in the respective years.

2. Bad debt recovered

The Statement of Profit and Loss for certain financial years include Bad debt recovered which have been earlier written off in our books of accounts. Amount recovered have been adjusted in respective years against the amount written off.

3. Excess provisions written back

In the earlier years, excess provisions were created. For the purpose of this statement, such excess provisions have been appropriately written back in the respective years to which it pertains.

4. Salaries

The statement of profit and loss for F.Y. 2012-13 include write back of provision incentive/bonus pertaining to previous years. They have been now been adjusted to the respective years to which they relate.

5. Stamp duty expenses

The statement of profit and loss for certain financial years include delayed Stamp Duty paid which have now been adjusted to the respective years to which they relate.

6. Legal and professional charges

The statement of profit and loss include claims paid to clients on the order of arbitrator/court. These expenses have been now been adjusted to the respective years to which they relate.

7. Rates and taxes

The statement of profit and loss for certain financial year include amounts provide consent order with SEBI which have now been adjusted to the respective years to which they relate.

8. Commission expenses

The statement of profit and loss include commission expenses paid to various parties. These expenses have been now been adjusted to the respective years to which they relate.

9. Bad debts / advances / security deposits net of provisions / Contingent Provisions

The Statement of Profit and Loss for certain financial years include Bad debts/ advances/ security deposits written off/contingent provisions which have been adjusted in respective years alongwith their provisions of doubtful debts. Further, corresponding revenue recognised has been also reversed in the respective years. Further, Contingent Provisions/ amount written off has been adjusted against the goodwill/capital reserve in case it pertains before the acquistion of such subsidiary company.

10. Interest on taxes

The statement of profit and loss include interest on taxes paid due to delay/shortfall in payment of income tax, etc. These expenses have been now been adjusted to the respective years to which they relate.

11. Profit on disposal of subsidiary company

Profit on Disposal of subsidiary company : Before acquisition of the a subsidiary company, there were certain expenses for which there have been excess provisions. Since such excess expenses pertain before acquisition hence those have been appropriately adjusted against the goodwill created at the time of acquisition. Consequently, at the time of disposal of such subsidiary company there has been corresponding increase in the profit which has appropriately been shown in the head profit on disposal of subsidiary company.

12. Short / (excess) provision for tax

The Statement of Profit and Loss for certain financial years include amounts paid/ provided for or refunded/ written back, in respect of shortfall/ excess current tax arising upon filing of tax returns, assessments etc. which have now been adjusted in the respective years to which they relate.

13. Deferred Tax impact due to above adjustments

Tax has been computed on adjustments on as detailed above and has been adjusted in the restated statement of profit and loss for the year ended and the balance brought forward in the Restated Statement of Profit and Loss account.

14. Changes in the estimated useful lives of the fixed assets

During the year ended March 31, 2015, the management has re-estimated useful lives and residual values of all its fixed assets which has resulted in higher charge of depreciation amounting to Rs. 16.18 millions in that year. These changes are considered as a change in the estimates in consequently no retrospective adjustments have been made to the restated consolidated summary statements of the company.

15. Dividend including dividend tax

From FY 2016-17, interim dividends are provided in the same accounting year in which it is declared by the board of directors. Earlier, based on then prevalent accounting standard the Company used to provide for dividends payable on equity shares for that year even though it is declared by the Board of Directors after the end of the reporting period. In order to maintain uniformity, the dividend for the periods 2012-2013 and 2013-2014 are provided in 2013-2014 and 2014-2015 respectively, as these were declared by the board 2013-2014 and 2014-2015 respectively.

16. Adjustments of contingent provisions/bad debts/ interest income relating to subsidiaries acquired

The effect of restatement adjustments of the subsidiary companies pertaining to the years prior to the acquisition of these subsidiaries have been taken to the goodwill / capital reserve account instead of opening balance of surplus in the statement of Profit and Loss of the respective subsidiaries acquired during the period of five years. Accordingly, Contingent Provisions against advances, bad debts recovered and interest from financing activities aggregating to Rs. 591.31 Mn, Rs. 119.41 Mn and Rs. 118.21 Mn for the period F.Y 13 to F.Y 17 respectively and the deferred tax impact on the same has been adjusted towards the goodwill of IVL Finance Limited (formerly known as Shivshakti Financial Services Limited), acquired in the year ending March 31, 2014. Similarly, Excess provision written back and interest on taxes of Rs. 51.63 Mn and Rs. 1.24 Mn respectively has been adjusted towards the goodwill of India Land and Properties Limited, acquired in the year ending March 31, 2015.

C **Material regrouping**

Appropriate adjustments have been made in the Restated Consolidated Summary Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financials of the Company as at and for the year ended March 31, 2017, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

a) Reclassification of Other Charges including transaction charges **(Rs. In millions)**

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Other charges including transaction charges as per audited financials		26.63	53.63	65.34	58.01
Less: Stamp Duty Recoveries	-	-	(24.50)	(17.00)	(29.02)
Restated amount	32.36	26.63	29.13	48.34	28.99

b) Reclassification of Stamp Duty Recoveries **(Rs. In millions)**

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Stamp Duty Recoveries as per audited financials	33.77	22.97	-	-	-
Add : Stamp Duty Recoveries	-	-	24.50	17.00	29.02
Restated amount	33.77	22.97	24.50	17.00	29.02

c) Reclassification of Commission Expenses

(Rs. In millions)

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Commission expenses as per audited financials	170.69	213.92	240.69	92.57	3.54
Add : reclassifcations from legal and professional charges	-	-	-	-	23.76
Less : Adjustments	-	-	-	-	(10.00)
Restated amount	170.69	213.92	240.69	92.57	17.30

d) Reclassification of Legal and Professional Charges

(Rs. In millions)

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Legal and Professional Charges as per audited financials	36.04	34.98	13.01	26.00	57.31
Add : Reclassifcations to Commission Expenses	-	-	-	-	(23.77)
Less : Adjustments	(1.62)	(4.16)	(0.34)	(9.75)	(0.10)
Restated amount	34.42	30.82	12.67	16.25	33.44

ANNEXURE-V
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 1

Corporate Information:

Indiabulls Ventures Limited ("IBVL" or "the Company") carries on the business as stock and share brokers on the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE"); depository participants and other related ancillary services. The Group's primary businesses are 'Broking and Related activities', 'Financing and Related activities' and 'Lease Rental activities' (lease rental business was carried upto March 16, 2017). Broking and related activities include business as a stock and share broker on the National Stock Exchange of India Limited and the BSE Limited, business as a commodity broker on the Multi Commodity Exchange of India Limited and the National Commodity and Derivative Exchange Limited, brokerage / commission on sale of flats, and other related ancillary services relating to broker activities. Lease rental and related activities include business of developing, operating and maintaining of industrial parks. On February 1, 1996 IBVL received a certificate of registration from the Securities and Exchange Board of India ("SEBI") under sub-section 1 of section 12 of the Securities and Exchange Board of India Act, 1992 to carry on the business as a stock broker. Accordingly, all provisions of the Securities and Exchange Board of India Act, 1992, and Rules and Regulations relating thereto are applicable to the Company. On April 2, 2008 the Equity shares of the Company were listed on the NSE and the BSE after the demerger of the Company from Indiabulls Financial Services Limited (erstwhile holding company) vide Scheme of Arrangement.

Pursuant to Section 13 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with the Companies (Incorporation) Rules, 2014 and subject to the approval of Registrar of Companies, NCT of Delhi and Haryana, the name of the Company has been changed from "Indiabulls Securities Limited" to "Indiabulls Ventures Limited" w.e.f. 12th March, 2015 to reflect various referral business activities carried on by the Company.

NOTE - 2

Significant Accounting Policies:

a) Basis of Consolidation:
The consolidated financial statements of the Company and its subsidiaries (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014, as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous years.

b) Principles of Consolidation:
The consolidated financial statements relate to Indiabulls Ventures Limited (the 'Company') and its subsidiary companies (together the "Group"). The consolidated financial statements have been prepared on the following basis:

(i) The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Company i.e., March 31, 2017 or upto date of disposal of subsidiary companies, if any.

(ii) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

(iii) The consolidated financial statements include the share of profit / loss of the associate companies which have been accounted for using equity method as per AS 23 Accounting for Investments in Associates in Consolidated Financial Statements. Accordingly, the share of profit/ loss of each of the associate companies (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investments.

(iv) Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.

c) Goodwill / Capital Reserve on Consolidation:
Goodwill / Capital Reserve represents the difference between the Company's share in the net worth of subsidiaries, and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Company's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital Reserve on consolidation is adjusted against Goodwill on consolidation, if any. The Goodwill on consolidation is evaluated for impairment whenever events or changes in circumstances indicate that its carrying amount may have been impaired. The Goodwill / Capital Reserve is determined separately for each subsidiary company and such amounts are not set off between different entities.

d) Investments in Associates:
Investment in entities in which the Group has significant influence but not a controlling interest are reported according to the Equity method i.e. the investment is initially recorded at cost, identifying any goodwill / capital reserve arising at the time of acquisition. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the investor's share of net assets of the investee.

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)

Following subsidiary companies and associates have been considered in the preparation of the consolidated financial statements:

Name of Associates	Country of Incorporation	Year / Period	Ownership interest (%)	Original cost of investment (Rs.)	Share of post acquisition Reserves and Surplus (Rs.)	Carrying cost of Investment (Rs.)	Statutory Auditor
Arbutus Constructions Limited (formerly known as Arbutus Constructions Private Limited)	India	-	-	-	-	-	-
		-	-	-	-	-	-
		-	-	-	-	-	-
		April 01, 2013 to June 10, 2013	*48.72%*	*100,000,000*	*767,499*	*100,767,499*	*S A S & Co.*
		April 01, 2012 to March 31, 2013	*48.72%*	*100,000,000*	*124,092*	*99,940,680*	*S A S & Co.*
Gyansagar Buildtech Limited (formerly known as Gyansagar Buildtech Private Limited)	India	-	-	-	-	-	-
		-	-	-	-	-	-
		-	-	-	-	-	-
		April 01, 2013 to June 10, 2013	*48.72%*	*100,000,000*	*409,877*	*100,409,877*	*S A S & Co.*
		April 01, 2012 to March 31, 2013	*48.72%*	*100,000,000*	*544,944*	*100,544,944*	*S A S & Co.*
Viscaria Builders Private Limited	India	-	-	-	-	-	-
		-	-	-	-	-	-
		-	-	-	-	-	-
		April 01, 2013 to June 10, 2013	*48.72%*	*100,000,000*	*(185,667)*	*99,814,333*	*S A S & Co.*
		April 01, 2012 to March 31, 2013	*48.72%*	*100,000,000*	*271,163*	*100,271,163*	*S A S & Co.*

e) Companies included in Consolidation:

Name of Subsidiaries (Ownership as on March 31, 2017)	Country of Incorporation	Year / Period ended included in Consolidation	% of Holding and voting power either directly or indirectly through subsidiary	Statutory Auditor
Indiabulls Commodities Limited	India	April 01, 2016 to March 31, 2017	100.00%	A Sardana & Co.
		April 01, 2015 to March 31, 2016	100.00%	A Sardana & Co.
		April 01, 2014 to March 31, 2015	100.00%	A Sardana & Co.
		April 01, 2013 to March 31, 2014	100.00%	A Sardana & Co.
		April 01, 2012 to March 31, 2013	100.00%	A Sardana & Co.
India Ethanol And Sugar Limited (Subsidiary of Indiabulls Commodities Limited)	India	April 01, 2016 to March 31, 2017	100.00%	A Sardana & Co.
		April 01, 2015 to March 31, 2016	100.00%	A Sardana & Co.
		April 01, 2014 to March 31, 2015	100.00%	A Sardana & Co.
		April 01, 2013 to March 31, 2014	100.00%	A Sardana & Co.
		April 01, 2012 to March 31, 2013	100.00%	A Sardana & Co.
Devata Tradelink Limited	India	April 01, 2016 to March 31, 2017	100.00%	Sumit Mohit & Company
		April 01, 2015 to March 31, 2016	100.00%	Sumit Mohit & Company
		April 01, 2014 to March 31, 2015	100.00%	Sumit Mohit & Company
		April 01, 2013 to March 31, 2014	100.00%	Sumit Mohit & Company
		April 01, 2012 to March 31, 2013	100.00%	Sumit Mohit & Company

Indiabulls Brokerage Limited	India	April 01, 2016 to March 31, 2017	100.00%	A Sardana & Co.
		April 01, 2015 to March 31, 2016	100.00%	A Sardana & Co.
		April 01, 2014 to March 31, 2015	100.00%	A Sardana & Co.
		April 01, 2013 to March 31, 2014	100.00%	A Sardana & Co.
		April 01, 2012 to March 31, 2013	100.00%	A Sardana & Co.
Indiabulls Distribution Services Limited	India	April 01, 2016 to March 31, 2017	100.00%	A Sardana & Co.
		April 01, 2015 to March 31, 2016	100.00%	A Sardana & Co.
		April 01, 2014 to March 31, 2015	100.00%	A Sardana & Co.
		April 01, 2013 to March 31, 2014	100.00%	A Sardana & Co.
		April 01, 2012 to March 31, 2013	100.00%	A Sardana & Co.
Auxesia Soft Solutions Limited (Subsidiary of Indiabulls Distribution Services Limited)	India	April 01, 2016 to March 31, 2017	100.00%	Sumit Mohit & Company
		April 01, 2015 to March 31, 2016	100.00%	Sumit Mohit & Company
		April 01, 2014 to March 31, 2015	100.00%	Sumit Mohit & Company
		April 01, 2013 to March 31, 2014	100.00%	Sumit Mohit & Company
		April 01, 2012 to March 31, 2013	100.00%	Sumit Mohit & Company
Pushpanjli Finsolutions Limited (formerly known as Pushpanjli Finsolutions Private Limited) (Subsidiary of Indiabulls Distribution Services Limited)	India	April 01, 2016 to March 31, 2017	100.00%	S A S & Co.
		April 01, 2015 to March 31, 2016	100.00%	S A S & Co.
		April 01, 2014 to March 31, 2015	100.00%	S A S & Co.
		June 28, 2013 to March 31, 2014	100.00%	S A S & Co.
Arbutus Constructions Limited (formerly known as Arbutus Constructions Private Limited) (Subsidiary of Devata Tradelink Limited)	India	April 01, 2016 to March 31, 2017	100.00%	S A S & Co.
		April 01, 2015 to March 31, 2016	100.00%	S A S & Co.
		April 01, 2014 to March 31, 2015	100.00%	S A S & Co.
		June 11, 2013 to March 31, 2014	100.00%	S A S & Co.
Gyansagar Buildtech Limited (formerly known as Gyan Sagar Software Technologies Private Limited) (Subsidiary of Devata Tradelink Limited)	India	April 01, 2016 to March 31, 2017	100.00%	S A S & Co.
		April 01, 2015 to March 31, 2016	100.00%	S A S & Co.
		April 01, 2014 to March 31, 2015	100.00%	S A S & Co.
		June 11, 2013 to March 31, 2014	100.00%	S A S & Co.
IVL Finance Limited (formerly known as Shivshakti Financial Services Limited) (Subsidiary of Indiabulls Distribution Services Limited)	India	April 01, 2016 to March 31, 2017	100.00%	S A S & Co.
		April 01, 2015 to March 31, 2016	100.00%	S A S & Co.
		April 01, 2014 to March 31, 2015	100.00%	S A S & Co.
		June 18, 2013 to March 31, 2014	100.00%	S A S & Co.

Astraea Constructions Limited (formerly known as Astraea Constructions Private Limited) (Subsidiary of Indiabulls Distribution Services Limited)	India	April 01, 2016 to March 31, 2017	100.00%	S A S & Co.
		April 01, 2015 to March 31, 2016	100.00%	S A S & Co.
		April 01, 2014 to March 31, 2015	100.00%	S A S & Co.
		June 11, 2013 to March 31, 2014	100.00%	S A S & Co.
Silenus Buildtech Limited (formerly known as Silenus Buildtech Private Limited) (Subsidiary of Indiabulls Distribution Services Limited)	India	April 01, 2016 to March 31, 2017	100.00%	S A S & Co.
		April 01, 2015 to March 31, 2016	100.00%	S A S & Co.
		April 01, 2014 to March 31, 2015	100.00%	S A S & Co.
		June 11, 2013 to March 31, 2014	100.00%	S A S & Co.
Astilbe Builders Limited (formerly known as Astilbe Builders Private Limited) (Subsidiary of Indiabulls Distribution Services Limited)	India	April 01, 2016 to March 31, 2017	100.00%	S A S & Co.
		April 01, 2015 to March 31, 2016	100.00%	S A S & Co.
		April 01, 2014 to March 31, 2015	100.00%	S A S & Co.
		June 11, 2013 to March 31, 2014	100.00%	S A S & Co.
Pushpanjli Fincon Limited (formerly known as Pushpanjli Fincon Private Limited) (50% held by Arbutus Constructions Limited and 50% held by Gyansagar Buildtech Limited)	India	April 01, 2016 to March 31, 2017	100.00%	S A S & Co.
		April 01, 2015 to March 31, 2016	100.00%	S A S & Co.
		April 01, 2014 to March 31, 2015	100.00%	S A S & Co.
		June 11, 2013 to March 31, 2014	100.00%	S A S & Co.
India Land and Properties Limited (formerly known as India Land and Properties Private Limited) (Subsidiary of Indiabulls Distribution Services Limited upto March 16, 2017)	India	April 01, 2016 to March 16, 2017	100.00%	Harish Mittal & Company
		April 1, 2015 to March 31, 2016	100.00%	Harish Mittal & Company
		November 18, 2014 to March 31, 2015	100.00%	Harish Mittal & Company
Positive Housings Private Limited (Subsidiary of Indiabulls Commodities Limited)	India	April 01, 2016 to March 31, 2017	100.00%	Sumit Mohit & Company
		April 01, 2015 to March 31, 2016	100.00%	Sumit Mohit & Company
		February 04, 2015 to March 31, 2015	100.00%	Sumit Mohit & Company
Indiabulls Alternate Investments Limited (Subsidiary of Indiabulls Distribution Services Limited)	India	April 01, 2016 to March 31, 2017	100.00%	Harish Mittal & Company
		February 10, 2016 to March 31, 2016	100.00%	Harish Mittal & Company
Indiabulls Consumer Products Limited	India	July 5, 2016 to March 31, 2017	100.00%	A Sardana & Co.
Indiabulls Asset Reconstruction Company Limited	India	October 3, 2016 to March 31, 2017	100.00%	A Sardana & Co.
Indiabulls Logistics Limited	India	January 19, 2017 to March 31, 2017	100.00%	MRKS and Associates
Indiabulls Infra Resources Limited	India	February 1, 2017 to March 31, 2017	100.00%	MRKS and Associates

The Consolidated Financial Statements are presented, to the extent possible, in the same format as that adopted by the Holding Company for its independent financial statements.

f) Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

For the year ended March 31, 2017:

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or (loss)	
	As % of consolidated net assets	(Rs. In Millions)	As % of consolidated profit or loss	(Rs. In Millions)
Parent Company				
Indiabulls Ventures Limited	37.27%	1,800.13	-14.02%	(173.09)
				-
Subsidiary Companies				-
Indiabulls Commodities Limited	7.12%	343.83	16.80%	207.44
India Ethanol and Sugar Limited	0.03%	1.27	0.03%	0.32
Devata Tradelink Limited	0.29%	13.99	0.07%	0.82
Indiabulls Brokerage Limited	0.03%	1.32	-0.19%	(2.32)
Indiabulls Distribution Services Limited	-11.90%	(574.91)	54.26%	669.93
Auxesia Soft Solutions Limited	0.00%	0.03	-0.08%	(1.00)
Pushpanjli Finsolutions Limited	0.00%	(0.16)	-0.12%	(1.50)
Arbutus Constructions Limited	0.20%	9.57	0.00%	(0.02)
Gyansagar Buildtech Limited	5.68%	274.45	1.57%	19.33
IVL Finance Limited	33.79%	1,632.27	26.55%	327.78
Astraea Constructions Limited	0.01%	0.61	0.00%	0.03
Silenus Buildtech Limited	0.02%	0.86	0.00%	0.04
Astilbe Builders Limited	0.02%	0.82	0.00%	0.02
Pushpanjli Fincon Limited	1.93%	93.33	-0.01%	(0.08)
India Land and Properties Limited	0.00%	-	16.02%	197.75
Positive Housings Private Limited	13.91%	672.07	-0.03%	(0.31)
Indiabulls Alternate Investments Limited	1.16%	56.16	0.50%	6.14
Indiabulls Consumer Products Limited	0.02%	0.93	-0.97%	(11.96)
Indiabulls Asset Reconstruction Company Limited	10.43%	503.60	-0.30%	(3.72)
Indiabulls Logistics Limited	0.01%	0.25	-0.02%	(0.25)
Indiabulls Infra Resources Limited	0.00%	0.05	-0.05%	(0.61)
Total	**100.00%**	**4,830.47**	**100.00%**	**1,234.74**

For the year ended March 31, 2016

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or (loss)	
	As % of consolidated net assets	(Rs. In Millions)	As % of consolidated profit or loss	(Rs. In Millions)
Parent Company				
Indiabulls Ventures Limited	51.90%	1,700.53	-10.78%	(79.25)
Subsidiary Companies				
Indiabulls Commodities Limited	5.40%	176.98	12.17%	89.47
India Ethanol and Sugar Limited	0.03%	0.95	-0.05%	(0.35)
Devata Tradelink Limited	0.43%	14.20	0.02%	0.17
Indiabulls Brokerage Limited	0.72%	23.47	0.00%	-
Indiabulls Distribution Services Limited	-77.65%	(2,544.18)	8.70%	63.98
Auxesia Soft Solutions Limited	-18.27%	(598.59)	-0.07%	(0.50)
Pushpanjli Finsolutions Limited	-0.01%	(0.20)	-0.22%	(1.62)
Arbutus Constructions Limited	0.29%	9.47	0.00%	(0.01)
Gyansagar Buildtech Limited	8.34%	273.32	2.50%	18.41
Shivshakti Financial Services Limited	14.02%	459.43	2.65%	19.47
Astraea Constructions Limited	0.02%	0.58	-0.01%	(0.08)
Silenus Buildtech Limited	0.03%	0.82	-0.01%	(0.05)
Astilbe Builders Limited	0.02%	0.80	0.00%	0.01
Pushpanjli Fincon Limited	2.81%	92.21	-0.67%	(4.91)
India Land and Properties Limited	91.40%	2,994.83	85.87%	631.48
Positive Housings Private Limited	20.51%	672.04	-0.04%	(0.32)
Indiabulls Alternate Investments Limited	0.00%	0.02	-0.07%	(0.48)
Total	**100.00%**	**3,276.68**	**100.00%**	**735.42**

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)

For the year ended March 31, 2015

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or (loss)	
	As % of consolidated net assets	(Rs. In Millions)	As % of consolidated profit or loss	(Rs. In Millions)
Parent Company				
Indiabulls Ventures Limited	62.38%	2,028.61	28.58%	420.59
Subsidiary Companies				
Indiabulls Commodities Limited	7.12%	231.43	1.58%	23.20
India Ethanol and Sugar Limited	0.03%	0.91	0.04%	0.64
Devata Tradelink Limited	1.02%	33.19	0.00%	(0.07)
Indiabulls Brokerage Limited	0.66%	21.33	-0.20%	(2.95)
Indiabulls Distribution Services Limited	-115.82%	(3,766.37)	46.91%	690.21
Auxesia Soft Solutions Limited	0.00%	0.10	-0.50%	(7.33)
Pushpanjli Finsolutions Limited	0.00%	(0.07)	-0.07%	(1.08)
Arbutus Constructions Limited	0.52%	16.89	0.11%	1.64
Gyansagar Buildtech Limited	7.11%	231.32	1.23%	18.17
Shivshakti Financial Services Limited	15.55%	505.75	0.31%	4.60
Astraea Constructions Limited	0.02%	0.55	-0.03%	(0.51)
Silenus Buildtech Limited	0.02%	0.77	0.00%	(0.04)
Astilbe Builders Limited	0.02%	0.79	-0.01%	(0.08)
Pushpanjli Fincon Limited	2.85%	92.80	0.00%	(0.03)
India Land and Properties Limited	97.87%	3,182.54	22.06%	324.54
Positive Housings Private Limited	20.64%	671.27	0.00%	(0.01)
Total	**100.00%**	**3,251.81**	**100.00%**	**1,471.49**

For the year ended March 31, 2014 and March 31, 2013

(In terms of Government of India, Ministry of Corporate Affairs General Circular No: 2/2011, No: 5/12/2007-CL-III dated 8th February, 2011) in compliance with section 212 of the Companies Act, 1956 for the year ended 31 March, 2014:

Indiabulls Commodities Limited **(Rs. In Millions)**

Particulars	**2013-14**	**2012-13**
Share Capital	6.00	6.00
Reserves and Surplus (Surplus/(Deficit))	146.57	145.35
Total Assets (Excluding Investments considered below)	651.40	259.02
Total Liabilities	500.76	109.60
Details of Investments (excluding investment in the subsidiary companies)	0.03	0.03
Turnover (including Other Income)	46.06	142.77
Profit / (Loss) before Taxation	3.84	(6.81)
Provision for Taxation	2.63	0.65
Profit / (Loss) after Taxation	1.20	(7.46)
Proposed Dividend (including Corporate Dividend Tax)	-	-

India Ethanol And Sugar Limited
(Subsidiary of Indiabulls Commodities Limited) **(Rs. In Millions)**

Particulars	**2013-14**	**2012-13**
Share Capital	1.90	1.90
Reserves and Surplus (Surplus/(Deficit))	(1.64)	(1.78)
Total Assets (Excluding Investments considered below)	0.29	0.15
Total Liabilities	0.03	0.04
Details of Investments (excluding investment in the subsidiary companies)	-	-
Turnover (including Other Income)	0.20	0.20
Profit before Taxation	0.17	0.16
Provision for Taxation	0.03	0.03
Profit after Taxation	0.14	0.13
Proposed Dividend (including Corporate Dividend Tax)	-	-

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)

Devata Tradelink Limited

(Rs. In Millions)

Particulars	2013-14	2012-13
Share Capital	0.50	0.50
Reserves and Surplus (Surplus/(Deficit))	(1,806.26)	(1,806.20)
Total Assets (Excluding Investments considered below)	122.78	13.19
Total Liabilities	1,928.54	2,118.89
Details of Investments (excluding investment in the subsidiary companies)	-	300.00
Turnover (including Other Income)	0.80	0.20
(Loss) / Profit before Taxation	(0.05)	0.13
Provision for Taxation	-	-
(Loss) / Profit after Taxation	(0.06)	0.13
Proposed Dividend (including Corporate Dividend Tax)	-	-

Indiabulls Brokerage Limited

(Rs. In Millions)

Particulars	2013-14	2012-13
Share Capital	55.00	55.00
Reserves and Surplus (Surplus/(Deficit))	(16.67)	(18.40)
Total Assets (Excluding Investments considered below)	38.87	38.08
Total Liabilities	0.54	1.48
Details of Investments (excluding investment in the subsidiary companies)	-	-
Turnover (including Other Income)	4.30	1.70
Profit / (Loss) before Taxation	1.76	(2.35)
Provision for Taxation	0.04	0.05
Profit / (Loss) after Taxation	1.72	(2.40)
Proposed Dividend (including Corporate Dividend Tax)	-	-

Indiabulls Distribution Services Limited

(Rs. In Millions)

Particulars	2013-14	2012-13
Share Capital	0.50	0.50
Reserves and Surplus (Surplus/(Deficit))	109.37	101.48
Total Assets (Excluding Investments considered below)	2,875.38	1,689.64
Total Liabilities	3,839.54	1,587.66
Details of Investments (excluding investment in the subsidiary companies)	1,074.05	-
Turnover (including Other Income)	2,015.52	727.34
Profit before Taxation	1,071.36	156.52
Provision for Taxation	361.49	49.08
Profit after Taxation	709.87	107.44
Proposed Dividend (including Corporate Dividend Tax)	701.97	-

Auxesia Soft Solutions Limited

(Rs. In Millions)

Particulars	2013-14	2012-13
Share Capital	0.50	0.50
Reserves and Surplus (Surplus/(Deficit))	(0.06)	(0.09)
Total Assets (Excluding Investments considered below)	0.47	0.46
Total Liabilities	0.03	0.05
Details of Investments (excluding investment in the subsidiary companies)	-	-
Turnover (including Other Income)	0.08	0.03
Profit / (Loss) before Taxation	0.04	(0.03)
Provision for Taxation	0.01	-
Profit / (Loss) after Taxation	0.04	(0.03)
Proposed Dividend (including Corporate Dividend Tax)	-	-

Pushpanjali Finsolutions Limited (formerly Pushpanjali Finsolutions Private Limited) (Subsidiary of Indiabulls Distribution Services Limited)

(Rs. In Millions)

Particulars	2013-14	2012-13
Share Capital	60.10	-
Reserves and Surplus (Surplus/(Deficit))	(10.83)	-
Total Assets (Excluding Investments considered below)	49.88	-
Total Liabilities	0.61	-
Details of Investments (excluding investment in the subsidiary companies)	-	-
Turnover (including Other Income)	3.04	-
Profit / (Loss) before Taxation	1.96	-
Provision for Taxation	0.75	-
Profit / (Loss) after Taxation	1.21	-
Proposed Dividend (including Corporate Dividend Tax)	-	-

Arbutus Constructions Limited
(formerly Arbutus Constructions Private Limited) (Subsidiary of Devata Tradelink Limited)

(Rs. In Millions)

Particulars	2013-14	2012-13
Share Capital	1.10	-
Reserves and Surplus (Surplus/(Deficit))	7.27	-
Total Assets (Excluding Investments considered below)	59.22	-
Total Liabilities	70.90	-
Details of Investments (excluding investment in the subsidiary companies)	20.05	-
Turnover (including Other Income)	6.28	-
Profit / (Loss) before Taxation	(1.96)	-
Provision for Taxation	-	-
Profit / (Loss) after Taxation	(1.96)	-
Proposed Dividend (including Corporate Dividend Tax)	-	-

Gyansagar Buildtech Limited
(formerly known as Gyan Sagar Software Technologies Private Limited)

(Rs. In Millions)

Particulars	2013-14	2012-13
Share Capital	1.10	-
Reserves and Surplus (Surplus/(Deficit))	11.86	-
Total Assets (Excluding Investments considered below)	231.49	-
Total Liabilities	238.58	-
Details of Investments (excluding investment in the subsidiary companies)	-	-
Turnover (including Other Income)	13.57	-
Profit / (Loss) before Taxation	4.06	-
Provision for Taxation	1.06	-
Profit / (Loss) after Taxation	3.01	-
Proposed Dividend (including Corporate Dividend Tax)	-	-

IVL Finance Limited (Shivshakti Financial Services Private Limited)
(Subsidiary of Indiabulls Distribution Services Limited)

(Rs. In Millions)

Particulars	2013-14	2012-13
Share Capital	23.17	-
Reserves and Surplus (Surplus/(Deficit))	877.69	-
Total Assets (Excluding Investments considered below)	916.26	-
Total Liabilities	15.40	-
Details of Investments (excluding investment in the subsidiary companies)	-	-
Turnover (including Other Income)	99.71	-
Profit / (Loss) before Taxation	15.13	-
Provision for Taxation	6.42	-
Profit / (Loss) after Taxation	8.71	-
Proposed Dividend (including Corporate Dividend Tax)	-	-

Astraea Constructions Private Limited
(Subsidiary of Indiabulls Distribution Services Limited)

(Rs. In Millions)

Particulars	2013-14	2012-13
Share Capital	0.10	-
Reserves and Surplus (Surplus/(Deficit))	(0.29)	-
Total Assets (Excluding Investments considered below)	1.87	-
Total Liabilities	2.06	-
Details of Investments (excluding investment in the subsidiary companies)	-	-
Turnover (including Other Income)	0.04	-
Profit / (Loss) before Taxation	(3.12)	-
Provision for Taxation	(0.85)	-
Profit / (Loss) after Taxation	(2.26)	-
Proposed Dividend (including Corporate Dividend Tax)	-	-

Silenus Buildtech Private Limited
(formerly known as Silenus Software Technologies Private Limited)
(Subsidiary of Indiabulls Distribution Services Limited)

(Rs. In Millions)

Particulars	2013-14	2012-13
Share Capital	0.10	-
Reserves and Surplus (Surplus/(Deficit))	0.16	-
Total Assets (Excluding Investments considered below)	1.77	-
Total Liabilities	1.51	-
Details of Investments (excluding investment in the subsidiary companies)	-	-
Turnover (including Other Income)	0.18	-
Profit / (Loss) before Taxation	(2.25)	-
Provision for Taxation	(0.69)	-
Profit / (Loss) after Taxation	(1.56)	-
Proposed Dividend (including Corporate Dividend Tax)	-	-

Astilbe Builders Privtae Limited
(Subsidiary of Indiabulls Distribution Services Limited)

(Rs. In Millions)

Particulars	2013-14	2012-13
Share Capital	0.10	-
Reserves and Surplus (Surplus/(Deficit))	0.12	-
Total Assets (Excluding Investments considered below)	1.33	-
Total Liabilities	1.11	-
Details of Investments (excluding investment in the subsidiary companies)	-	-
Turnover (including Other Income)	0.83	-
Profit / (Loss) before Taxation	(0.10)	-
Provision for Taxation	(0.03)	-
Profit / (Loss) after Taxation	(0.07)	-
Proposed Dividend (including Corporate Dividend Tax)	-	-

Pushpanjli Fincon Limited (formerly Pushapanjli Fincon Private Limited)
(50% held by Arbutus Constructions Limited and 50% held by Gyansagar Buildtech Limited)

(Rs. In Millions)

Particulars	2013-14	2012-13
Share Capital	40.10	-
Reserves and Surplus (Surplus/(Deficit))	(22.37)	-
Total Assets (Excluding Investments considered below)	93.61	-
Total Liabilities	75.88	-
Details of Investments (excluding investment in the subsidiary companies)	-	-
Turnover (including Other Income)	9.82	-
Profit / (Loss) before Taxation	(2.89)	-
Provision for Taxation	0.30	-
Profit / (Loss) after Taxation	(3.19)	-
Proposed Dividend (including Corporate Dividend Tax)	-	-

Viscaria Builders Private Limited
(Subsidiary of Devata Tradelink Limited, upto February 28, 2014)

(Rs. In Millions)

Particulars	2013-14	2012-13
Share Capital	-	-
Reserves and Surplus (Surplus/(Deficit))	0.62	-
Total Assets (Excluding Investments considered below)	-	-
Total Liabilities	-	-
Details of Investments (excluding investment in the subsidiary companies)	-	-
Turnover (including Other Income)	1.27	-
Profit / (Loss) before Taxation	0.67	-
Provision for Taxation	0.05	-
Profit / (Loss) after Taxation	0.62	-
Proposed Dividend (including Corporate Dividend Tax)	-	-

There were no figures in Foreign Currency appearing in the accounts of the subsidiary companies.

g) Use of Estimates:

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

h) Cash and Cash Equivalents (for purposes of Cash Flow Statement):

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

i) Cash Flow Statement:

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

j) Revenue Recognition:

- Revenue from securities and commodities brokerage activities are accounted for on the trade date of the transaction.
- Income from brokerage and commission on account of cross-selling of real estate products is recognised on an accrual basis when the services are determined to be completed, generally set out under the terms of contract/agreements with respective customers.
- Income from fee based advisory services and consultancy is recognised on an accrual basis.
- Income from project management fee is recognised on accrual basis.
- Interest Income from financing activities and others is recognised on an accrual basis.
- Income from management fee is recognised on accrual basis in accordance with the SEBI regulations and the respective terms of the contract between the Company and Trustee Company.
- Lease income from operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the lease term.
- Maintenance income is accounted on accrual basis upon rendering of services.
- Revenue from interest charged to customers on margin funding is recognised on a daily/ monthly basis up to the last day of accounting period.
- Depository income is accounted on an accrual basis as and when the right to receive the income is established. Annual Maintenance charges are recognised pro-rata over the period it is charged.
- Commission on mutual funds is recognised on an accrual basis.
- Income from trading account maintenance is accounted on an accrual basis and when the right to receive the income is established.

k) Other Income:

- Revenue from interest on fixed deposits is recognised on an accrual basis.
- Dividend income on Equity shares is recognised when the right to receive the dividend is unconditional as at the Balance Sheet date.
- Dividend income on units of mutual funds is recognised when the right to receive the dividend is unconditional as at the Balance Sheet date. Any gains/losses on sale / redemption of units are recognised on the date of sale / redemption.
- Interest income on Inter-Corporate Deposits is recognised on an accrual basis.
- Interest income on other deposits is recognised on an accrual basis.
- Interest income on Non Performing assets (NPA's) is recognised only when it is actually received.

l) Stock-in-trade:

Stock-in-trade comprising of securities held for the purposes of trading is valued at lower of cost and net realisable value. Profit or loss on sale of such securities is determined using the weighted average cost method.

m) Commercial Papers:
The liability is recognised at face value of the commercial paper at the time of issue of the commercial paper. The discount on issue of the commercial paper is amortised over the tenure of the instrument.

n) Fixed Assets:

(i) Tangible Assets:
Tangible fixed assets are stated at cost, net of tax / duty credits availed, if any, less accumulated depreciation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

(ii) Intangible Assets:
Intangible assets are stated at cost, net of tax / duty credits availed, if any, less accumulated amortisation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

(iii) Capital Work in Progress:
Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

(iv) Intangible assets under development:
Expenditure on development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

o) Depreciation / Amortisation:
Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Leasehold Improvements are amortised over the duration of the lease. Depreciation on sale / deduction from fixed assets is provided for up to the date of sale / deduction / scrapping, as the case may be. Assets costing Rs. 5,000 or less per item are fully depreciated in the year of capitalisation.

Intangible assets consisting of Membership Rights of the BSE Limited are amortised on a straight-line method basis over a period of five years from the date when the rights became available for use.
Intangible assets consisting of Software are amortised on a straight line basis over a period of four years from the date when the assets are available for use.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the change pattern, if any.

p) Impairment of Assets:
The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment, if any indication of impairment exists.

If the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets, to the extent the amount was previously charged to the Statement of Profit & Loss.

q) Investments:
Investments are classified as long-term and current. Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

r) Foreign Currency Transactions and Translations:
Recognition & translation

i. Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.
ii. Monetary items denominated in foreign currencies at the year end are translated at year end exchange rates.
iii. Non monetary foreign currency items are carried at cost.
iv. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

Exchange Differences

i. Exchange differences arising on a monetary item that in substance, forms part of the Company's net investment in a non-integral foreign operation is accumulated in the Foreign Currency Translation Reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognised as income or as expenses in the same period in which the gain or loss on disposal is recognised.

ii. The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss except in case of exchange differences arising on net investment in non-integral foreign operations, where such amortisation is taken to "Foreign currency translation reserve" until disposal / recovery of the net investment. The unamortised exchange difference is carried in the Balance Sheet as “Foreign currency monetary item translation difference account” net of the tax effect thereon, where applicable.

iii. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortised over the remaining life of the concerned monetary item.

iv. All other exchange differences are recognised as income or as expenses in the period in which they arise.

s) Employee Benefits:

The Company has a defined contribution plan namely Provident Fund. Annual contribution to the Employees Provident Fund Organisation is charged to the Statement of Profit and Loss. The Company has unfunded / funded defined benefit plans namely gratuity and unfunded defined benefit plan namely long-term compensated absences for all eligible employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using the Projected Unit Credit Method. Actuarial gains / losses comprise experience adjustments and the effects of change in actuarial assumptions and are recognised in the Statement of Profit and Loss as income or expenses as applicable.

t) Deferred Employee Stock Compensation Cost:

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

u) Taxes on Income:

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

v) Leases:

Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

w) Share Issue Expenses:

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the Statement of Profit and Loss.

x) Borrowing Costs:

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost of the asset. All other borrowing costs are charged to the Statement of Profit and Loss.

y) Segment Reporting:

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

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segment on the basis of their relationship to the operating activities of the segments.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities.

z) Provisions and Contingencies:

A provision is recognised when the Company has a present obligation as a result of past events 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. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

aa) Derivative Contracts:

Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign currency transactions and translations.

ab) Operating Cycle:

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

NOTE - 3 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED SHARE CAPITAL

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Authorised					
Equity Shares of face value of Rs. 2 each (No. of shares)	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000
Equity Shares of face value of Rs. 2 each (Rs. in millions)	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Preference Shares of face value of Rs. 4.61 each (No. of shares)	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Preference Shares of face value of Rs. 4.61 each (Rs. in millions)	115.25	115.25	115.25	115.25	115.25
	1,115.25	**1,115.25**	**1,115.25**	**1,115.25**	**1,115.25**
Issued, subscribed and fully paid up (i) to (vi)					
Equity Shares of face value of Rs. 2 each fully paid up (No. of shares)	320,206,920	292,869,542	261,223,081	231,112,511	231,112,511
Equity Shares of face value of Rs. 2 each fully paid up (Rs. in millions)	640.41	585.74	522.45	462.23	462.23
The Company has only one class of Equity Shares having a face value of Rs. 2 per share. Each holder of Equity Share is entitled to one vote per share. The final dividend proposed by the Board of Directors if any is subject to the approval of the shareholders in the ensuing Annual General Meeting.					
	640.41	**585.74**	**522.45**	**462.23**	**462.23**

(i) 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.

(ii) Holders of Global Depository Receipts ('GDRs') will be entitled to receive dividends, subject to the terms of the Deposit Agreement, to the same extent as the holders of Equity Shares, less the fees and expenses payable under such Deposit Agreement and any Indian tax applicable to such dividends. Holders of GDRs don't have voting rights with respect to the Deposited Shares. The GDRs can not be transferred to any person located in India including Indian residents or ineligible investors except as permitted by Indian laws and regulations.

(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the financial year :

Equity Shares	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Opening balance	292,869,542	261,223,081	231,112,511	231,112,511	231,112,511
Shares issued during the year by exercise of Employee Stock Option Plan	2,687,378	706,460	2,840,571	-	-
Shares issued during the year by exercise of Warrants	24,650,000	30,940,001	27,269,999	-	-
Closing Balance	**320,206,920**	**292,869,542**	**261,223,081**	**231,112,511**	**231,112,511**

(Rs. In Millions)

Equity Shares	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Opening balance	585.74	522.45	462.23	462.23	462.23
Shares issued during the year by exercise of Employee Stock Option Plan	5.37	1.41	5.68	-	-
Shares issued during the year by exercise of Warrants	49.30	61.88	54.54	-	-
Closing Balance	**640.41**	**585.74**	**522.45**	**462.23**	**462.23**

(iv) Shares held by Shareholders each holding more than 5% shares:

Name of Shareholder	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Equity Shares of Rs. 2 each fully paid up					
Promoters and Promoter Group					
Sameer Gehlaut					
No. of shares held	40,158,292	40,158,292	34,171,089	34,171,089	34,171,089
% of holding	12.54%	13.71%	13.08%	14.78%	14.78%
Orthia Properties Private Limited					
No. of shares held	39,981,305	39,981,305	39,058,962	23,400,000	21,407,000
% of holding	12.49%	13.65%	14.95%	10.12%	9.26%
Orthia Constructions Private Limited					
No. of shares held	24,401,671	11,701,671	-	-	-
% of holding	7.62%	4.00%	-	-	-
Zelkova Builders Private Limited					
No. of shares held	18,557,534	6,607,534	-	-	-
% of holding	5.80%	2.26%	-	-	-
Public					
Rajiv Rattan *					
No. of shares held	-	19,208,148	17,330,253	17,330,253	17,330,253
% of holding	-	6.56%	6.63%	7.50%	7.50%
Saurabh Mittal *					
No. of shares held	-	-	17,212,083	17,212,083	17,212,083
% of holding	-	-	6.59%	7.45%	7.45%
Tupelo Consultancy LLP					
No. of shares held	25,115,371	-	-	-	-
% of holding	7.84%	-	-	-	-

* Consequent to the de-classification of the Promoters / Promoter Group Entities / Persons Acting in Concert with the Promoters (PACs) of the Company, intimated by the Company to the Exchanges on July 18, 2014, Mr. Rajiv Rattan, Priapus Land Development Private Limited, Inuus Constructions Private Limited, Mr. Saurabh K Mittal, Hespera Land Development Private Limited and Hespera Constructions Private Limited have ceased to be the Promoters / Promoter Group Entities / PACs of the Company, with effect from July 18, 2014 and their names shall not be included, as such, in any future correspondences / filings by the Company with the Stock Exchanges / other statutory authorities.

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

(v) Shares reserved for issuance towards outstanding employee stock options granted and share warrants:

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Employee stock options (No. of Shares) (Equity shares of Rs. 2 each) (Refer note -	20,829,316	15,384,894	6,713,404	10,435,525	11,465,083
Share warrants (No. of Shares) (Equity shares of Rs. 2 each) (Refer note - 5(i))	33,650,000	-	30,940,001	58,210,000	-

(vi) The Company has only one class of Equity Shares having a face value of Rs. 2 per share. Each holder of Equity Share is entitled to one vote per share. The final dividend proposed by the Board of Directors if any is subject to the approval of the shareholders in the ensuing Annual General Meeting.

NOTE - 4 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED RESERVES AND SURPLUS

(Rs. In Millions)

		As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Capital Reserve on Consolidation						
Balance as per last Balance Sheet		178.38	178.38	26.08	24.45	24.45
Add : Effect of changes in Group's interest		0.18	-	152.30	1.63	-
Closing balance		**178.56**	**178.38**	**178.38**	**26.08**	**24.45**
Capital Redemption Reserve						
Balance as per last Balance Sheet		370.04	370.04	370.04	360.04	360.04
Add: Addition during the year		-	-	-	10.00	-
Closing balance		**370.04**	**370.04**	**370.04**	**370.04**	**360.04**
Securities Premium Account						
Balance as per last Balance Sheet		712.98	361.76	18.05	18.05	18.05
Add: Premium on shares issued during the year		478.92	351.22	343.71	-	-
Closing balance		**1,191.90**	**712.98**	**361.76**	**18.05**	**18.05**
Foreign Currency Monetary Item Translation Difference Account (i)						
Opening Balance		13.56	12.90	11.71	7.29	3.14
(Less) / Add: Effect of foreign exchange rate variation during the year		(1.81)	4.74	3.22	7.38	5.13
Less: Amortised during the year		3.81	3.19	2.03	1.74	-
Less: Utilised during the year		-	0.89	-	1.22	0.98
Closing balance		**7.94**	**13.56**	**12.90**	**11.71**	**7.29**
Reserve Fund (U/s 45-IC of RBI Act, 1934)						
Balance as per last Balance Sheet		22.25	19.50	18.63	-	-
Acquired on Consolidation		-	-	-	16.89	
Add : Additions during the year		13.39	2.75	0.87	1.74	-
Closing balance		**35.64**	**22.25**	**19.50**	**18.63**	**-**
General Reserve						
Balance as per last Balance Sheet		419.76	419.76	419.76	154.54	98.70
Add: Transfer from the Statement of Profit and Loss		-	-	-	265.22	55.84
Closing Balance		**419.76**	**419.76**	**419.76**	**419.76**	**154.54**
Surplus in the Statement of Profit and Loss						
Opening Balance		973.96	1,266.46	1,107.40	1,462.47	1,658.57
Add: Profit for the year		1,244.88	735.41	1,471.46	1,022.34	396.95
Amount available for appropriation	**(a)**	2,218.84	2,001.87	2,578.86	2,484.81	2,055.52
Less: Appropriations :						
Interim Dividend on Equity Shares (Refer Note - B 15 of Annexure -IV)		320.21	877.13	1,041.16	924.45	462.23
Corporate Dividend Tax on Interim Dividend on Equity Shares		65.19	148.03	187.13	186.00	74.98
Amount transferred to Reserve Fund (U/s 45-IC of the RBI Act, 1934)		13.39	2.75	0.87	1.74	-
Transfer to General Reserve		-	-	-	265.22	55.84
Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax of Rs. 41.56 millions)		-	-	83.24	-	-
Total Appropriations	**(b)**	398.79	1,027.91	1,312.40	1,377.41	593.05
Balance of Profit Carried Forward	**(a)-(b)**	**1,820.05**	**973.96**	**1,266.46**	**1,107.40**	**1,462.47**
		4,023.89	**2,690.93**	**2,628.80**	**1,971.67**	**2,026.84**

(i) Pursuant to the notification dated December 29, 2011 issued by the Ministry of Corporate Affairs amending Accounting Standard 11 - 'Accounting for the Effects of Changes in Foreign Exchange Rates' the Company has exercised the option as per Paragraph 46A inserted in the said Accounting Standard for amortisation of foreign exchange gain/loss on long-term monetary items over the remaining life of the concerned monetary items. Consequently, an amount of Rs. 7.93 millions (F.Y. 2015-16 Rs. 13.55 millions, F.Y. 2014-15 Rs. 12.90 millions, F.Y. 2013-14 Rs. 11.71 millions, F.Y. 2012-13 Rs. 7.30 millions) is carried forward in the Foreign Exchange Monetary Item Translation Difference Account as on March 31, 2017, net of forex gain amounting to Rs. 3.81 millions (F.Y. 2015-16 Rs. 3.19 millions, F.Y. 2014-15 Rs. 2.03 millions, F.Y. 2013-14 Rs. 1.74 millions, F.Y. 2012-13 Rs. 0.98 millions) amortised in the Statement of Profit and Loss and Rs. Nil (F.Y. 2015-16- Rs. 0.89 millions, F.Y. 2014-15 Rs. Nil , F.Y. 2013-14 Rs. 1.22 millions, F.Y. 2012-13 - Nil) utilised towards the partial amount received from the Escrow Account.

NOTE - 5: SUMMARY STATEMENT OF RESTATED CONSOLIDATED MONEY RECEIVED AGAINST SHARE WARRANTS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Money received against Share Warrants [(i) & (ii)]	166.15	-	100.56	189.18	-

(i) The Board of Directors of the Company at their meeting held on June 15, 2016 and as approved at its Extra-Ordinary General Meeting held on July 15, 2016 have resolved to create, offer, issue and allot up to 58,300,000 warrants, convertible into 58,300,000 equity shares of Rs. 2/- each on a preferential allotment basis, pursuant to Section 42 and 62 of the Companies Act, 2013, at a conversion price of Rs. 19.75 per equity share of the Company, arrived at in accordance with the SEBI Guidelines in this regard and subsequently these warrants were allotted on August 10, 2016 to the certain promoter entities and to an executive director ("the warrant holders") and 25% application money amounting to Rs. 287,856,250/- was received from them. The warrants were to be converted into equivalent number of equity shares on payment of the balance amount at any time on or before February 9, 2018. In the event the warrants are not converted into equity shares within the said period, the Company is eligible to forfeit the amounts received towards the warrants. During the year ended March 31, 2017, the Company has allotted 24,650,000 Equity Shares on March 7, 2017 on conversion of equivalent numbers of warrants to certain promoter group entities on realisation of balance 75% towards these warrants. Subsequent to the year ended March 31, 2017 the Company has allotted 33,650,000 Equity Shares on April 10, 2017 on conversion of equivalent numbers of warrants to the warrant holders on realisation of balance 75% towards these warrants.

(ii) The Board of Directors of the Company at their meeting held on October 21, 2013 and as approved at its Extra-Ordinary General Meeting held on November 20, 2013 have resolved to create, offer, issue and allot up to 58,210,000 warrants, convertible into 58,210,000 equity shares of Rs. 2/- each on a preferential allotment basis, pursuant to Section 81(1A) of the Companies Act, 1956, at a conversion price of Rs. 13/- per equity share of the Company, arrived at in accordance with the SEBI Guidelines in this regard and subsequently these warrants were allotted on December 2, 2013 to the promoter, certain promoter entities, persons other than promoter and promoter group entity (erstwhile promoters and promoter group entities upto July 17, 2014) and to an executive director ("the warrant holders") and 25% application money amounting to Rs. 189,182,500/- was received from them. The warrants were to be converted into equivalent number of equity shares on payment of the balance amount at any time on or before June 1, 2015. In the event the warrants are not converted into equity shares within the said period, the Company is eligible to forfeit the amounts received towards the warrants. During the year ended March 31, 2015, the Company had allotted 27,269,999 Equity Shares on conversion of equivalent numbers of warrants to certain promoter group entities and an executive director on realisation of balance 75% towards these warrants. During the year ended March 31, 2016 the Company has allotted 20,111,217 Equity Shares on April 07, 2015 and 10,828,784 Equity Shares on April 10, 2015 on conversion of equivalent numbers of warrants to the warrant holders on realisation of balance 75% towards these warrants.

NOTE - 6: SUMMARY STATEMENT OF RESTATED CONSOLIDATED SHARE APPLICATION MONEY PENDING ALLOTMENT

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Share application money pending allotment [(i) to (iii)]	8.62	-	10.95	-	-

(i) As at March 31, 2017, the Company had received an amount of Rs. 8.62 millions towards share application money for 250,000 Equity Shares of the Company at a premium of Rs 29.35 per share under "Indiabulls Ventures Limited Employees Stock Option Scheme - 2009" ("IBVL ESOP - 2009") and for 45,100 Equity Shares of the Company at a premium of Rs. 15.40 per share under "Indiabulls Ventures Limited Employees Stock Option Scheme - 2008" ("IBVL ESOP - 2008"). The Company has sufficient authorised share capital to cover the allotment of these shares.

(ii) As at March 31, 2015, the Company had received an amount of Rs. 10.95 millions towards share application money towards 0.63 millions Equity Shares of the Company at a premium of Rs 15.40. The share application money was received pursuant to "Indiabulls Securities Limited Employees Stock Option Scheme - 2008" ("IBSL ESOP - 2008") (now title changed to "Indiabulls Ventures Limited Employees Stock Option Scheme - 2008" ("IBVL ESOP - 2008")). The Company had sufficient authorised capital to cover the allotment of these shares. Out of 0.63 millions Equity Shares applied, the Company had issued and allotted 0.55 millions Equity Share and refunded the application money amounting to Rs. 1.28 millions against balance 0.74 millions Equity Shares.

(iii) As at March 31, 2015, the Company has received an amount of Rs. 10,948,776/- towards share application money towards 629,240 Equity Shares of the Company at a premium of Rs 15.40. The share application money was received pursuant to "Indiabulls Securities Limited Employees Stock Option Scheme - 2008" ("IBSL ESOP - 2008"). The Company has sufficient authorised capital to cover the allotment of these shares.

NOTE - 7 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED LONG-TERM BORROWINGS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Terms Loans					
Secured					
From Banks [(i) to (iii)]	5.72	3,919.41	3,305.49	9.28	8.39

(i) Term loans of Rs. 7.51 Millions (2015-16 Rs. 4.78 Millions, 2014-15 Rs. 12.58 Millions, 2013-14 Rs. 16.69 Millions, 2012-13 Rs. 12.60 Millions) are secured against hypothecation of the vehicles purchased. The rate of interest of such term loans ranges between 9% p.a. to 12% p.a. The term loans are repayable in equated monthly installments ranging for a period of 3 to 5 years.

(ii) During the year ended March 31, 2016, the Company had taken following term loan facilities from Oriental Bank of Commerce:

(a) Rs 3,941.80 millions had been disbursed during the year ending March 2016 out of Term Loan facility Rs. 4,050.00 millions (Outstanding as on March 31, 2017: Rs. Nil; as on March 31, 2016 Rs. 3,941.76 millions).

(b) Term loan facility of Rs. 450.00 millions had been sanction but no disbursement was made.

Such loans were secured by hypothecation of respective assets as follows :

1) First exclusive charge upon all receivables (present and future) from tenants/ lessees in respect of commercial space at One Indiabulls Park, Chennai.

2) First Exclusive charge on all other movable and Immovable fixed assets of One Indiabulls Park, present and future.

3) First Exclusive charge on all escrow and Common Account Maintenance (CAM) charges accounts opened in relation to the facility.

(c) Term Loan Facility of Rs 405 crores is repayable in 144 equal monthly installments. Interest on loans 9.99% p.a. with monthly rests, and such interest is calculated on the amount of loan outstanding from time to time. The Tenure of this facility is 12 years.

(iii) During the year ended March 31, 2015, the Company had taken following term loan facilties from Indusind Bank:

(1) Lease Rental Discounting Facility (LRD) of Rs. 1,500.00 millions (Outstanding as on March 31, 2017 Rs. Nil (as on March 31, 2016 Rs. Nil; as on March 31, 2015 Rs. 1,500.00 millions))

(2) Loan Against Property Facility (LAP) of Rs. 1,850.00 millions (Outstanding as on March 31, 2017 Rs. Nil (as on March 31, 2016 Rs. Nil; as on March 31, 2015 Rs. 1,850.00 millions)).

Such loans were secured by hypothecation of respective assets as follows:

a) First exclusive charge upon all receivables (present and future) from tenants/ lessees in respect of commercial space at One Indiabulls Park, Chennai.

b) First Exclusive charge on all other movable fixed assets of One Indiabulls Park, present and future for facilities aggregating Rs. 3,500.00 millions.

c) First Exclusive charge by way of hypothecation of all current assets and non-current assets (including loans and advances given, whether short term or long term in nature), present & future of One Indiabulls Park, Chennai. Cash flows arising on account of realization of such current assets to be escrowed and charged to the Bank on exclusive basis.

d) First Exclusive charge on all escrow and Common Account Maintenance (CAM) charges accounts opened in relation to the facility.

e) LRD Facility of Rs. 150 Crores is repayable in 120 equal monthly installments. Interest on loans 11.25% p.a. with monthly rests, and such interest is calculated on the amount of loan outstanding from time to time. The Tenure of this facility is 10 years.

f) LAP Facility of Rs. 185 Crores is repayable in 4 installments. Interest on loans 11.50% p.a., and such interest is calculated on the amount of loan outstanding from time to time. The tenue of this facility is 5 Years.

(iv) There is no continuing default as at March 31, 2017 (as at March 31, 2016 Rs. Nil; as at March 31, 2015 Rs. Nil; as at March 31, 2014 Rs. Nil; as at March 31, 2013 Rs. Nil) in the repayment of the respective loan or interest amounts.

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)

NOTE - 8 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED DEFERRED TAX LIABILITIES (NET)

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Deferred Tax Liability:					
Difference between book balance & tax balance of fixed assets	-	-	-	0.32	0.37
Short Term Capital Gain (net)	-	-	13.15	-	-
Total (a)	**-**	**-**	**13.15**	**0.32**	**0.37**
Deferred Tax Asset:					
Provision for doubtful debts and advances	-	-	1.00	-	-
Disallowances u/s. 43B of the Income-Tax Act, 1961	-	-	0.18	0.02	-
Disallowances u/s. 40A(7) of the Income-Tax Act, 1961	-	-	0.85	0.04	-
Difference between book balance & tax balance of fixed assets	-	-	0.45	-	-
Others	-	-	-	-	-
Total (b)	**-**	**-**	**2.48**	**0.06**	**-**
Deferred Tax Liabilities (Net)	**-**	**-**	**10.67**	**0.26**	**0.37**

NOTE - 9 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED OTHER LONG-TERM LIABILITIES

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Others					
Security deposits received (i)	-	525.03	194.96	-	-
Others - Amount received from Depository for GDR	-	99.79	99.79	99.79	99.79
	-	**624.82**	**294.75**	**99.79**	**99.79**

(i) Security deposits collected by the company included deposits in respect of operating leases for commercial infrastructure facility at One Indabulls Park, Chennai. The deposits were repayable on completion of the lease tenure. In case of premature termination of the lease agreements by the lessee, certain contracts require the lessee to pay rentals for the unused portion of the lease.

NOTE - 10 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED LONG-TERM PROVISIONS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Provision for Gratuity (Refer note - 34)	72.55	62.05	51.16	38.45	39.46
Provision for Compensated Absences (Refer note - 34)	18.88	18.88	13.10	11.14	11.22
Provision for Loan Assets	13.79	-	-	-	-
Contingent Provisions against Standard Assets	2.63	1.07	0.64	0.74	-
Provision for Contingencies	-	-	-	-	-
	107.85	**82.00**	**64.90**	**50.33**	**50.68**

NOTE - 11 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED SHORT-TERM BORROWINGS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Secured loans					
From Banks (i)					
Bank Overdraft (Secured)	6,583.27	9,583.77	5,183.16	1,481.98	858.95
Working Capital Loan (Secured)	650.00	500.00	500.00	-	-
From Others					
Working Capital Loan (Secured) (ii)	-	-	600.00	180.00	-
Unsecured					
From Banks					
Bank Overdraft (Unsecured)	-	-	2,750.00	-	-
From Others					
Commercial Papers (Unsecured) (iii)	5,000.00	5,000.00	3,500.00	2,000.00	500.00
Inter Corporate Deposits (Unsecured)	2,950.00	2,000.00	1,000.00	-	-
	15,183.27	**17,083.77**	**13,533.16**	**3,661.98**	**1,358.95**

(i) Bank overdraft amounting to Rs. 6,583.27 Million (FY 2015-16 Rs. 9,563.91 millions, FY 2014-15 Rs. 5,053.16 millions, FY 2013-14 Rs. 1,481.98 millions, FY 2012-13 Rs. 792.82 millions) are secured against fixed deposit placed and Rs. Nil (FY 2015-16 Rs. 19.86 millions, FY 2014-15 Rs. 130.00 millions, FY 2013-14 Rs. Nil, FY 2012-13 Rs. 66.13 millions) are secured against book debts placed with respective banks. Working capital loan amounting to Rs. 650.00 millions (FY 2015-16 Rs. 500.00 millions, FY 2014-15 Rs. 500.00 millions, FY 2013-14 Rs. NIl, , FY 2012-13 Rs. Nil) are secured against book debts and loans and advances placed with the Banks.

(ii) The secured loan from others as on March 31, 2015 amounting to Rs. 600.00 millions (FY 2013-14 Rs. 180.00 millions, FY 2012-13 Rs. Nil) was secured against the investments in mutual funds. The loan carried interest at the rate of 11.50% p.a. (FY 2013-14 12.20%, FY 2012-13 Nil).

(iii) Maximum balance outstanding during the year Rs. 5,000.00 millions (FY 2015-16 Rs. 5,000.00 millions; FY 2014-15 Rs. 3,500.00 millions; FY 2013-14 Rs. 2,000.00 millions; FY 2012-13 Rs. 500.00 millions).

NOTE - 12 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED TRADE PAYABLES

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
(a) Total outstanding due to micro enterprises and small enterprises [(i)]	-	-	-	-	-
(b) Total outstanding due to creditors other than micro enterprises and small enterprises	34.13	31.78	37.89	4.03	18.42
	34.13	**31.78**	**37.89**	**4.03**	**18.42**

(i) Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

(Rs. In Millions)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
(a) An amount due and outstanding to suppliers as at the end of the accounting year on account of principal and interest.	-	-	-	-	-
(b) Interest paid during the year in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006; no amount was paid to the supplier beyond the appointed date.	-	-	-	-	-
(c) Interest payable at the end of the year other than interest under Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-	-
(d) Amount of interest accrued and unpaid at the end of the accounting year.	-	-	-	-	-
(e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-	-

The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of the information available with the Company. This has been relied upon by the Auditors.

NOTE - 13 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED OTHER CURRENT LIABILITIES

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Current maturity of term loans (Refer note - 7(i) to (iii))	1.79	27.12	57.09	7.41	4.21
Interest accrued but not due on working capital loan	1.00	2.63	4.16	-	-
Brokerage / depository income / management fee received in advance	11.05	4.32	3.76	6.60	4.73
Unclaimed dividends [(i)]	346.62	28.67	29.16	22.28	16.71
Margin from customers	1,265.12	588.06	614.37	677.40	740.39
Upfront Deposits from Underwriters	-	-	-	-	0.55
Temporary overdrawn bank balances as per books	11.57	43.90	250.95	380.14	311.96
Others:					
Security deposit received (Refer note - 9(i))	-	876.50	23.15	-	-
Capital purchases	-	19.59	10.68	-	-
Current liabilities for expense provisions and statutory dues	308.03	323.69	336.20	507.38	347.13
Amount received from Depository for GDR	99.79	-	-	-	-
Other payables	-	122.34	2,278.26	-	-
	2,044.97	**2,036.82**	**3,607.78**	**1,601.21**	**1,425.68**

(i) In respect of amounts mentioned under Section 205(C) of the Companies Act, 1956, the Company has credited Rs. 1.96 millions (FY 2015-16 Rs. 3.82 millions, FY 2014-15 Rs. Nil, FY 2013-14 Rs. Nil, FY 2012-13 Rs. Nil) to the Investor Education and Protection Fund. Further, no dues were required to be credited to the Investor Education and Protection Fund as at March 31, 2017.

NOTE - 14 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED SHORT-TERM PROVISIONS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Provision for Gratuity (Refer note - 34)	1.91	2.20	1.89	1.57	3.13
Provision for Compensated Absences (Refer note - 34)	0.53	0.62	0.44	0.40	1.51
Provision for Taxation (net of advance tax)	113.04	52.67	32.89	103.25	34.07
Provision for Interim Dividend on Equity Shares	-	-	-	-	-
Provision for Corporate Dividend Tax on Interim Dividend on Equity Shares	-	-	29.99	28.89	-
Provision for Loan Assets	5.50	-	-	-	-
Contingent Provisions against Standard Assets	1.05	0.93	1.16	1.07	-
	122.03	**56.42**	**66.37**	**135.18**	**38.71**

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)
Notes forming part of the restated financial statements

Note - 15 SUMMARY STATEMENT OF RESTATED CONSOLIDATED FIXED ASSETS

(Rs. In Millions)

Particulars	GROSS BLOCK AT COST					DEPRECIATION / AMORTISATION					NET BLOCK	
	As at April 01, 2016	Additions during the year	Adjustments/ sales during the year	Adjustment on Disposal of Subsidiary	As at March 31, 2017	As at April 01, 2016	Provided during the year	Adjustments / sales during the year	Adjustment on Disposal of Subsidiary	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
A. Tangible Assets												
Free Hold Land	1,121.75	-	-	450.00	671.75	-	-	-	-	-	671.75	1,121.75
Furniture and Fixtures	30.86	6.57	0.83	-	36.60	18.80	2.32	0.83	-	20.29	16.31	12.06
Vehicles*	81.66	7.44	11.95	0.25	76.90	48.71	6.32	8.66	0.16	46.21	30.69	32.95
Office Equipment	164.79	4.42	6.56	16.40	146.25	157.37	4.00	6.50	16.23	138.64	7.61	7.42
Computers	396.77	11.11	10.73	5.02	392.13	376.70	9.92	10.73	4.56	371.33	20.80	20.07
Leasehold Improvements	105.22	0.50	20.05	-	85.67	75.74	9.03	20.03	-	64.74	20.93	29.48
Temporary Erections	0.60	-	-	0.60	-	0.60	-	-	0.60	-	-	-
One Indiabulls Park **												
Building	3,490.70	154.48	-	3,645.18	-	345.01	57.57	-	402.58	-	-	3,145.69
Furniture	247.30	91.90	-	339.20	-	125.64	35.07	-	160.71	-	-	121.66
Plant & Machinery	1,184.63	158.72	-	1,343.35	-	359.72	87.81	-	447.53	-	-	824.91
Total (a)	**6,824.28**	**435.14**	**50.12**	**5,800.00**	**1,409.30**	**1,508.29**	**212.04**	**46.75**	**1,032.37**	**641.21**	**768.09**	**5,315.99**
B. Intangible Assets												
Membership rights of BSE Limited	7.01	-	-	-	7.01	7.01	-	-	-	7.01	-	-
Software	697.34	13.29	-	2.65	707.98	627.04	26.27	-	2.61	650.70	57.28	70.30
Indiabulls.com website	5.26	-	-	-	5.26	5.26	-	-	-	5.26	-	-
Total (b)	**709.61**	**13.29**	**-**	**2.65**	**720.25**	**639.31**	**26.27**	**-**	**2.61**	**662.97**	**57.28**	**70.30**
					-	-				-		
Current year total ((a)+(b))	**7,533.89**	**448.43**	**50.12**	**5,802.65**	**2,129.55**	**2,147.60**	**238.31**	**46.75**	**1,034.98**	**1,304.18**	**825.37**	**5,386.29**
Intangible Assets under developments											0.37	-
Capital Work In Progress at cost											78.75	363.40
											904.49	**5,749.69**

* Includes vehicles having original cost of Rs. 12.04 millions (Previous year Rs. 11.79 millions) which are hypothecated to banks against the loans.

** Refer note 8(ii).

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)
Notes forming part of the restated financial statements

Note - 15 SUMMARY STATEMENT OF RESTATED CONSOLIDATED FIXED ASSETS

(Rs. In Millions)

Particulars	GROSS BLOCK AT COST					DEPRECIATION / AMORTISATION						NET BLOCK	
	As at April 01, 2015	Acquired on consolidation	Additions during the year	Adjustments/ sales during the year	As at March 31, 2016	As at April 01, 2015	Acquired on consolidation	Transition adjustment recorded against Surplus balance in Statement of Profit and Loss	Provided during the year	Adjustments / sales during the year	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
A. Tangible Assets													
Free Hold Land	1,121.75	-	-	-	1,121.75	-	-	-	-	-	-	1,121.75	1,121.75
Furniture and Fixtures	28.73	-	2.78	0.65	30.86	17.54	-	-	1.90	0.65	18.79	12.07	11.19
Vehicles*	82.98	-	9.90	11.22	81.66	51.61	-	-	7.69	10.58	48.72	32.94	31.37
Office Equipment	164.14	-	1.27	0.62	164.79	152.14	-	-	5.83	0.60	157.37	7.42	12.00
Computers	406.71	-	14.56	24.50	396.77	392.97	-	-	8.23	24.49	376.71	20.06	13.74
Leasehold Improvements	106.24	-	-	1.02	105.22	64.82	-	-	11.84	0.92	75.74	29.48	41.42
Temporary Erections	0.60	-	-	-	0.60	0.60	-	-	-	-	0.60	-	-
One Indiabulls Park **													
Building	3,490.23	-	0.47	-	3,490.70	286.57	-	-	58.44	-	345.01	3,145.69	3,203.66
Furniture	250.54	-	0.09	3.33	247.30	95.62	-	-	31.30	1.27	125.65	121.65	154.92
Plant & Machinery	1,183.36	-	1.27	-	1,184.63	273.82	-	-	85.90	-	359.72	824.91	909.54
Total (a)	**6,835.28**	**-**	**30.34**	**41.34**	**6,824.28**	**1,335.69**	**-**	**-**	**211.13**	**38.51**	**1,508.31**	**5,315.98**	**5,499.59**
B. Intangible Assets													
Membership rights of BSE Limited	7.01	-	-	-	7.01	7.01	-	-	-	-	7.01	-	-
Software	662.97	-	34.37	-	697.34	609.12	-	-	17.92	-	627.04	70.30	53.85
Indiabulls.com website	5.26	-	-	-	5.26	5.26	-	-	-	-	5.26	-	-
Total (b)	**675.24**	**-**	**34.37**	**-**	**709.61**	**621.39**	**-**	**-**	**17.92**	**-**	**639.31**	**70.30**	**53.85**
					-	-					-		
Current year total ((a)+(b))	**7,510.52**	**-**	**64.71**	**41.34**	**7,533.89**	**1,957.08**	**-**	**-**	**229.05**	**38.51**	**2,147.62**	**5,386.28**	**5,553.44**
Capital Work In Progress at cost												363.40	114.61
												5,749.68	**5,668.05**

* Includes vehicles having original cost of Rs. 11.79 millions (Previous year Rs. 26.10 millions) which are hypothecated to banks against the loans.

** Refer note 8(ii) & (iii).

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)
Notes forming part of the restated financial statements

Note - 15 SUMMARY STATEMENT OF RESTATED CONSOLIDATED FIXED ASSETS

(Rs. In Millions)

	GROSS BLOCK AT COST					DEPRECIATION / AMORTISATION						NET BLOCK	
Particulars	As at April, 1, 2014	Acquired on consolidation	Additions during the year	Adjustments/ sales during the year	As at March 31, 2015	As at April, 1, 2014	Acquired on consolidation	Transition adjustment recorded against Surplus balance in Statement of Profit and Loss	Provided during the year	Adjustments / sales during the year	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
A. Tangible Assets													
Free Hold Land	-	1,121.75	-	-	1,121.75	-	-	-	-	-	-	1,121.75	-
Furniture and Fixtures	24.90	3.27	7.55	3.73	31.99	18.54	1.42	0.29	2.45	3.57	19.13	12.86	6.36
Vehicles*	83.21	0.25	4.08	4.56	82.98	38.77	0.11	2.13	14.68	4.08	51.61	31.37	44.44
Office Equipment	203.12	16.36	2.46	57.80	164.14	74.57	14.05	107.81	13.43	57.73	152.13	12.01	128.55
Computers	429.33	4.30	5.60	32.52	406.71	401.32	4.12	11.93	8.11	32.52	392.96	13.75	28.01
Leasehold Improvements	106.32	-	-	0.09	106.23	45.22	-	2.63	17.03	0.06	64.82	41.41	61.10
Temporary Erections	-	0.60	-	-	0.60	-	0.60	-	-	-	0.60	-	-
One Indiabulls Park **													
Building	-	3,490.23	-	-	3,490.23	-	265.13	-	21.44	-	286.57	3,203.66	-
Furniture	-	247.27	-	-	247.27	-	82.57	-	11.45	-	94.02	153.25	-
Plant & Machinery	-	1,183.36	-	-	1,183.36	-	242.33	-	31.50	-	273.83	909.53	-
Total (a)	**846.88**	**6,067.39**	**19.69**	**98.70**	**6,835.26**	**578.42**	**610.33**	**124.79**	**120.09**	**97.96**	**1,335.67**	**5,499.59**	**268.46**
B. Intangible Assets													
Membership rights of BSE Limited	7.01	-	-	-	7.01	7.01	-	-	-	-	7.01	-	-
Software	636.17	2.59	24.20	-	662.96	595.14	2.58	-	11.39	-	609.11	53.85	41.03
Indiabulls.com website	5.26	-	-	-	5.26	5.26	-	-	-	-	5.26	-	-
Total (b)	**648.44**	**2.59**	**24.20**	**-**	**675.23**	**607.41**	**2.58**	**-**	**11.39**	**-**	**621.38**	**53.85**	**41.03**
Current year total ((a)+(b))	**1,495.32**	**6,069.98**	**43.89**	**98.70**	**7,510.49**	**1,185.83**	**612.91**	**124.79**	**131.48**	**97.96**	**1,957.05**	**5,553.44**	**309.49**
Capital Work In Progress at cost												114.61	-
												5,668.05	**309.49**

* Includes vehicles having original cost of Rs. 26.10 millions (Previous year Rs. 26.68 millions) which are hypothecated to banks against the loans.

** Refer note 8(ii) to (iv).

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)
Notes forming part of the restated financial statements

Note - 15 SUMMARY STATEMENT OF RESTATED CONSOLIDATED FIXED ASSETS

(Rs. In Millions)

	GROSS BLOCK AT COST					DEPRECIATION / AMORTISATION					NET BLOCK	
Particulars	**As at April, 1, 2013**	**Acquired on consolidation**	**Additions during the year**	**Adjustments/ sales during the year**	**As at March 31, 2014**	**As at April, 1, 2013**	**Acquired on consolidation**	**Provided during the year**	**Adjustments/ sales during the year**	**As at March 31, 2014**	**As at March 31, 2014**	**As at March 31, 2013**
A. Tangible Assets												
Furniture and Fixtures	25.66	-	1.07	1.83	24.90	18.82	-	1.19	1.47	18.54	6.36	6.84
Vehicles*	88.73	-	13.39	18.91	83.21	43.12	-	8.19	12.54	38.77	44.44	45.61
Office Equipment	229.42	0.34	3.75	30.39	203.12	75.91	0.02	10.44	11.80	74.57	128.55	153.51
Computers	439.23	0.30	7.51	17.72	429.32	398.16	0.13	20.61	17.58	401.32	28.00	41.07
Leasehold Improvements	117.30	-	1.68	12.66	106.32	45.38	-	7.68	7.84	45.22	61.10	71.92
Total (a)	**900.34**	**0.64**	**27.40**	**81.51**	**846.87**	**581.39**	**0.15**	**48.11**	**51.23**	**578.42**	**268.45**	**318.95**
	-				-	-				-	-	-
B. Intangible Assets					-					-	-	
Membership rights of BSE Limited	7.01	-	-	-	7.01	7.01	-	-	-	7.01	-	-
Software	597.13	-	39.04	-	636.17	593.30	-	1.84	-	595.14	41.03	3.83
Indiabulls.com website	5.26	-	-	-	5.26	5.26	-	-	-	5.26	-	-
Total (b)	**609.40**	**-**	**39.04**	**-**	**648.44**	**605.57**	**-**	**1.84**	**-**	**607.41**	**41.03**	**3.83**
					-					-		
Current year total ((a)+(b))	**1,509.74**	**0.64**	**66.44**	**81.51**	**1,495.31**	**1,186.96**	**0.15**	**49.95**	**51.23**	**1,185.83**	**309.48**	**322.78**

* Includes vehicles having carrying cost of Rs. 26.68 millions (Previous year Rs. 18.77 millions) which are hypothecated to banks against the loans.

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)
Notes forming part of the restated financial statements

Note - 15 SUMMARY STATEMENT OF RESTATED CONSOLIDATED FIXED ASSETS

(Rs. In Millions)

	GROSS BLOCK AT COST				DEPRECIATION / AMORTISATION				NET BLOCK	
Particulars	As at April, 1, 2012	Additions during the year	Adjustments/ sales during the year	As at March 31, 2013	As at April, 1, 2012	Provided during the year	Adjustments during the year	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012
A. Tangible Assets										
Furniture and Fixtures	25.74	0.97	1.05	25.66	18.88	0.86	0.92	18.82	6.84	6.86
Vehicles*	87.04	12.77	11.08	88.73	41.68	7.81	6.36	43.13	45.60	45.36
Office Equipment	232.20	2.03	4.82	229.41	66.61	10.82	1.52	75.91	153.50	165.59
Computers	439.73	3.12	3.62	439.23	363.86	37.82	3.52	398.16	41.07	75.87
Leasehold Improvements	124.97	0.10	7.77	117.30	40.26	8.08	2.96	45.38	71.92	84.71
Total (a)	**909.68**	**18.99**	**28.34**	**900.33**	**531.29**	**65.39**	**15.28**	**581.40**	**318.93**	**378.39**
	-			-	-			-	-	-
B. Intangible Assets				-				-	-	
Membership rights of BSE Limited	7.01	-	-	7.01	7.01	-	-	7.01	-	-
Software	595.05	2.07	-	597.12	580.73	12.57	-	593.30	3.82	14.32
Indiabulls.com website	5.26	-	-	5.26	5.26	-	-	5.26	-	-
Total (b)	**607.32**	**2.07**	**-**	**609.39**	**593.00**	**12.57**	**-**	**605.57**	**3.82**	**14.32**
				-				-		
Current year total ((a)+(b))	**1,517.00**	**21.06**	**28.34**	**1,509.72**	**1,124.29**	**77.96**	**15.28**	**1,186.97**	**322.75**	**392.71**

* Includes vehicles having original cost of Rs. 18.77 millions (Previous year Rs. 10.25 millions) which are hypothecated to banks against the loans.

NOTE - 16 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED GOODWILL ON CONSOLIDATION

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Balance as per last Balance Sheet	1,349.68	1,219.39	215.33	-	-
Add : On acquisition of Subsidiaries during the year	-	130.29	1,004.06	215.33	-
Less: On disposal of Subsidiary during the year	1,134.35	-	-	-	-
Closing balance	**215.33**	**1,349.68**	**1,219.39**	**215.33**	**-**

NOTE - 17 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED NON-CURRENT INVESTMENTS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Long-term - Trade - Quoted (at cost unless otherwise stated)					
Investments in Equity Instruments					
Fully paid up Equity Shares of face value of Rs. 2 each in BSE Limited					
Number of shares	65,000	-	-	-	-
Amount (Rs. In Millions)	0.01	-	-	-	-
Total (A)	**0.01**	**-**	**-**	**-**	**-**
Long-term - Trade - Unquoted (at cost unless otherwise stated)					
Investments in Equity Instruments					
Fully paid up Equity Shares of face value of Re. 1 each in BSE Limited					
Number of shares	-	130,000	130,000	130,000	130,000
Amount (Rs. In Millions)	-	0.01	0.01	0.01	0.01
Investments in Government or trust securities :					
Investment in 6 Years National Saving Certificate VIII Issue [(i)] (Including interest accrued thereon)	0.04	0.04	0.04	0.03	0.03
Total (B)	**0.04**	**0.05**	**0.05**	**0.04**	**0.04**
Long- term - Others - Unquoted (at cost unless otherwise stated)					
Investments in Equity Instruments					
(i) In Associate companies					
Arbutus Constructions Limited (formerly Arbutus Constructions Private Limited) (Face Value Rs. 10)					
Number of shares	-	-	-	-	9,500
Amount (Rs. In Millions)	-	-	-	-	9.50
Add : Proportionate Share of post acquisition Reserves and Surplus	-	-	-	-	0.12
	-	-	-	-	9.62
Viscaria Builders Private Limited (Face Value Rs. 10)					
Number of shares	-	-	-	-	9,500
Amount (Rs. In Millions)	-	-	-	-	9.50
Add : Proportionate Share of post acquisition Reserves and Surplus	-	-	-	-	0.27
	-	-	-	-	9.77
Gyansagar Builtech Limited (formerly Gyan Sagar Software Technologies Private Limited) (Face Value Rs. 10)					
Number of shares	-	-	-	-	9,500
Amount (Rs. In Millions)	-	-	-	-	9.50
Add : Proportionate Share of post acquisition Reserves and Surplus	-	-	-	-	0.54
	-	-	-	-	10.04
Total (C)	**-**	**-**	**-**	**-**	**29.43**
(ii) Other Long-Term Investments					
Fully paid-up Ordinary Shares of face value of £ 0.001 in Copal Partners Limited [(ii)]					
Number of shares	-	-	-	288,722	288,722
Amount (Rs. In Millions)	-	-	-	125.33	125.33
Total (D)	**-**	**-**	**-**	**125.33**	**125.33**
Investments in Preference Shares :					
In Associate Companies :					
Arbutus Constructions Limited (formerly Arbutus Constructions Private Limited) (Face Value Rs. 10)					
Number of shares	-	-	-	-	90,500
Amount (Rs. In Millions)	-	-	-	-	90.50

Viscaria Builders Private Limited (Face Value Rs. 10)					
Number of shares	-	-	-	-	90,500
Amount (Rs. In Millions)	-	-	-	-	90.50
Gyansagar Builtech Limited (formerly Gyan Sagar Software Technologies Private Limited) (Face Value Rs. 10)					
Number of shares	-	-	-	-	90,500
Amount (Rs. In Millions)	-	-	-	-	90.50
Total (E)	**-**	**-**	**-**	**-**	**271.50**
Total (A)+(B)+(C)+(D)+(E)	**0.05**	**0.05**	**0.05**	**125.37**	**426.30**
Aggregate market value of quoted investments (Rs. in Millions)	64	-	-	-	-
Aggregate book value of quoted investments (Rs. in Millions)	0.01	-	-	-	-
Aggregate book value of unquoted investments (Rs. in Millions)	0.04	0.05	0.05	125.37	426.30
Aggregate provision for diminution in value of investments (Rs. in Millions)	-	-	-	-	-

(i) Investment in 6 Years National Saving Certificate (VIII Issue) is pledged with sales tax authorities.

(ii) During the year ended March 31, 2012, Copal Partners Limited had bought back 223,222 shares held by the Company vide the Purchase and Cancellation Agreement for the consideration of Rs. 86.23 millions. Further, the Company had sold 586,193 shares held by it in Copal Partners Limited to Moody's Group UK LTD for the consideration of Rs. 231.99 millions vide the Share Purchase Deed and received Rs. 1.30 million and Rs. 6.69 million in FY 2012-13 and 2013-14 respectively, as an additional consideration. As a result thereof, the stake of the Company in Copal Partner Limited had reduced from 4.74% to 1.63%. The proportionate cost of the shares bought back and sold aggregated to Rs. 351.36 Millions. Out of the total consideration of Rs. 231.99 Millions receivable from Moody's Group UK LTD, the Company had received partial amount of Rs. Nil (FY 2015-16 Rs. 5.41 millions; FY 2014-15 Rs. Nil; FY 2013-14 Rs. 16.05 millions; FY 2012-13 Rs. Nil) towards Escrow Account. As on March 31, 2017 Rs. 59.37 millions (excluding foreign exchange gain of Rs. 19.06 millions); [PY March 31, 2016 Rs. 59.37 millions (excluding foreign exchange gain of Rs. 20.86 millions); March 31, 2015 Rs. 63.41 millions (excluding foreign exchange gain of Rs. 17.45 millions); March 31, 2014 Rs. 63.41 millions (excluding foreign exchange gain of Rs. 14.23 millions) and March 31, 2013 Rs. 77.95 millions (excluding foreign exchange gain of Rs. 8.43 millions)] is receivable in the form of Escrow account and Loan Notesof the Moody's Group UK LTD.

During the year ended March 31, 2015, the Company had sold balance 288,722 Ordinary Shares on exercise of call option by the Moody's Group UK LTD for a cash consideration of Rs. 594.99 Millions. As a result thereof, the stake of the Company in Copal Partners Limited stand to Nil from 1.63% earlier.

NOTE - 18 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED DEFERRED TAX ASSETS (NET)

In compliance with Accounting Standard - 22 'Accounting for Taxes on Income', deferred tax (net) of Rs. 88.68 millions has been debited (FY 2015-16 credited Rs. 64.14 millions, FY 2014-15 debited Rs. 21.62 millions, FY 2013-14 debited Rs. 43.62 millions, FY 2012-13 debited Rs. 13.32 millions) to the Statement of Profit and Loss for the year ended March 31, 2017. The breakup of deferred tax into major components is as under:

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Deferred Tax Assets:					
Provision for Doubtful Debts and Advances	21.02	18.50	16.91	23.01	39.41
Contingent Provisions against Standard Assets	-	0.81	-	3.44	-
Disallowances u/s. 43B of the Income-Tax Act, 1961	6.68	5.67	4.16	3.89	4.25
Disallowances u/s. 40A(7) of the Income-Tax Act, 1961	25.59	21.00	16.77	13.51	14.23
Difference between tax balance and book balance of fixed assets	48.41	51.53	52.37	5.87	-
Others	64.58	157.80	107.44	115.40	16.99
Total (a)	166.28	255.31	197.65	165.12	74.88
Deferred Tax Liability:					
Difference between book balance and tax balance of fixed assets	13.88	14.23	10.04	5.43	4.01
Gain on sale of rights	-	-	-	-	-
Profit on redemption of units of mutual funds	-	-	-	-	-
Others	-	-	-	2.46	-
Total (b)	13.88	14.23	10.04	7.89	4.01
Deferred Tax Assets (Net) (a-b)	**152.40**	**241.08**	**187.61**	**157.23**	**70.87**

NOTE - 19 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED LONG-TERM LOANS AND ADVANCES

Unsecured

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
(a) Capital Advances					
Considered Good	10.85	37.74	13.60	100.00	102.52
(b) Security Deposits					
(i) Deposits (including margin money) with Exchanges (considered good)	37.74	35.49	41.71	42.51	55.72
(ii) Deposits with Others					
Considered Good	59.42	80.67	31.94	53.72	75.59
Considered Doubtful	2.23	5.98	4.57	20.44	16.90
	61.65	86.65	36.51	74.16	92.49
Less: Provision for Doubtful Deposits	2.23	5.98	4.57	20.44	16.90
	59.42	80.67	31.94	53.72	75.59

(c) Unsecured Loans Given	295.37	-	-	90.97	-
(d) Loan Notes, Escrow Receivable account and others (Refer Note 17(ii))					
Considered Good	92.05	137.75	118.66	81.78	91.64
Considered Doubtful	0.40	1.52	1.22	1.27	2.68
	92.45	139.27	119.88	83.05	94.32
Less: Provision for Doubtful Advances	0.40	1.52	1.22	1.27	2.68
	92.05	137.75	118.66	81.78	91.64
(e) Advance Income Tax/ Tax Deducted At Source (Net of provision for tax)	89.21	206.17	-	230.79	-
(f) MAT credit entitlement	122.23	113.53	5.05	-	-
	706.87	**611.35**	**210.96**	**599.77**	**325.47**

NOTE - 20 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED OTHER NON-CURRENT ASSETS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unsecured, Considered Good					
Unamortised expenses - Ancillary borrowing cost	-	69.93	89.91	-	-
In fixed deposit accounts with Banks (Refer note - 23(i) & (ii))	4.56	28.00	77.48	57.90	117.39
Lease equalisation	-	80.46	-	-	-
	4.56	**178.39**	**167.39**	**57.90**	**117.39**

NOTE - 21 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED CURRENT INVESTMENTS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Investments in Mutual Funds					
Non Trade - Unquoted (at cost unless otherwise stated)					
L & T Mutual Fund (i)					
Number of units	-	-	-	98,473,996	-
NAV per unit (Rs.) (ii)	NA	NA	NA	1,039.48	NA
Amount (Rs. In Millions)	-	-	-	100.00	-
Deutsche Mutual Fund (i)					
Number of units	-	-	-	1,003,410,361	-
NAV per unit (Rs.) (ii)	NA	NA	NA	100.65	NA
Amount (Rs. In Millions)	-	-	-	98.48	-
JM Arbitage Advantage Fund - Bonus Option (i)					
Number of units	-	-	69,772,347,434	-	-
NAV per unit (Rs.) (ii)	NA	NA	10.46	NA	NA
Amount (Rs. In Millions)	-	-	693.55	-	-
Indiabulls Mutual Fund					
Number of units	1,023,113	-	-	-	-
NAV per unit (Rs.)	1,588.50	NA	NA	NA	NA
Amount (Rs. In Millions)	1,625.00	-	-	-	-
	1,625.00	**-**	**693.55**	**198.48**	**-**
Aggregate market value of quoted investments (Rs. in Millions)	-	-	-	-	-
Aggregate book value of quoted investments (Rs. in Millions)	-	-	-	-	-
Aggregate book value of unquoted investments (Rs. in Millions)	1,625.00	-	693.55	198.48	-
Aggregate provision for diminution in value of investments (Rs. in Millions)	-	-	-	-	-

(i) The investment in Mutual Funds are under lien as security against short term borrowing.
(ii) Acquired by way of bonus at NAV of Rs. Nil.

NOTE - 22 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED TRADE RECEIVABLES
Unsecured

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Outstanding for a period exceeding six months					
Considered Good	1,749.11	1,414.36	1,027.59	268.59	96.20
Considered Doubtful	58.46	41.19	41.19	24.87	23.04
	1,807.57	1,455.55	1,068.78	293.46	119.24
Less: Provision for Doubtful Debts	58.46	41.19	41.19	24.87	23.04
	1,749.11	1,414.36	1,027.59	268.59	96.20

Others					
Considered Good	1,620.74	1,752.66	1,442.96	1,100.49	495.92
Considered Doubtful	-	-	-	-	-
	3,369.85	**3,167.02**	**2,470.55**	**1,369.08**	**592.12**

NOTE - 23 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED CASH AND CASH EQUIVALENTS

(Rs. In Millions)

	As at March 31, 2017	**As at March 31, 2016**	**As at March 31, 2015**	**As at March 31, 2014**	**As at March 31, 2013**
Cash on Hand	0.10	0.32	0.15	0.06	0.07
Balance with Banks					
- in Current Accounts	813.43	333.53	599.03	827.20	508.53
- in fixed deposits with original maturity of less than three months (i)	6,500.00	6,540.12	4,980.00	792.50	-
	7,313.43	6,873.65	5,579.03	1,619.70	508.53
Other bank balances					
Deposit accounts					
- in Fixed Deposit Accounts having original maturity of more than twelve months (i) & (ii)	766.83	1,291.51	751.51	1,151.01	1,298.20
- in Fixed Deposit Accounts having original maturity upto twelve months (i)	629.64	143.79	534.10	175.45	375.09
In earmarked accounts					
- in unpaid dividend account	346.62	28.67	29.16	22.28	16.71
	1,743.09	1,463.97	1,314.77	1,348.74	1,690.00
	9,056.62	**8,337.94**	**6,893.95**	**2,968.50**	**2,198.60**

(i) Fixed deposits includes:

a. Rs. 938.75 millions (FY 2015-16 Rs. 563.75 millions; FY 2014-15 Rs. 614.05 millions, FY 2013-14 Rs. 461.50 millions, FY 2012-13 Rs. 800.30 millions) pledged with the banks against bank guarantees issued by banks for base capital and additional base capital to National Stock Exchange of India, BSE Limited, National Securities Clearing Corporation Limited, Multi Commodity Exchange of India Limited and National Commodity and Derivative Exchange Limited.

b. Rs. 19.63 millions (FY 2015-16 Rs. 62.50 millions; FY 2014-15 Rs. 26.95 millions; FY 2013-14 Rs. 31.95 millions; FY 2012-13 Rs. 106.85 millions) pledged with National Stock Exchange of India, BSE Limited, National Securities Clearing Corporation Limited, Multi Commodity Exchange of India Limited and National Commodity & Derivatives Exchange Limited for the purpose of base capital and additional base capital.

c. Rs. 6,936.70 millions (FY 2015-16 Rs. 6,944.70 millions; FY 2014-15 Rs. 5,424.70 millions; FY 2013-14 Rs. 1,669.25 millions; FY 2012-13 Rs. 878.50 millions) pledged with banks for overdraft facilities.

d. Rs. 4.34 millions (FY 2015-16 Rs. 8.79 millions; FY 2014-15 Rs. 11.15 millions; FY 2013-14 Rs. 10.33 millions; FY 2012-13 Rs. 4.55 millions) pledged for arbitration matters.

e. Rs. 0.29 millions (FY 2015-16 Rs. 0.19 millions; FY 2014-15 Rs. 0.19 millions; FY 2013-14 Rs. 0.19 millions; FY 2012-13 Rs. 0.19 millions) pledged with VAT / Sales Tax Authorities.

f. Rs. 0.03 millions; (FY 2015-16 Rs. 0.03 millions; FY 2014-15 Rs. 0.03 millions; FY 2013-14 Rs. 0.03 millions; FY 2012-13 Rs. 0.03 millions) pledged with State Commission, New Delhi for appeal filed by the Company in a consumer dispute matter.

g. The Company had maintained the Debt Service Reserve Account (DSR) with the bank from whom the Company had borrowed the money for the business purpose. An amount equal to one month interest (FY 2014-15 three months interest) on each disbursement under the term loan was being transferred directly by the lender to the DSR Account out of the proceeds of such disbursement. The Company was required to maintain and operate this account during the entire tenure of the facility. As at March 31, 2017, the outstanding balance in DSR Account for Rs. Nil (Rs. 34.61 millions as at March 31, 2016, Rs. 115.00 millions as at March 31, 2015, Rs. NA as at March 31, 2014, Rs. NA as at March 31, 2013) and DSR account for negative cash flow was Rs. Nil (Rs. 30.91 millions as at March 31, 2016, Rs. Nil as at March 31, 2015, Rs. NA as at March 31, 2014, Rs. NA as at March 31, 2013) and was included in the balances lying in Fixed Deposit Accounts.

h. Rs. Nil (FY 2015-16 Rs. 10.83 millions; FY 2014-15 Rs. 108.45 millions, FY 2013-14 Rs. Nil, FY 2012-13 Rs. Nil) pledged with the bank against bank guarantees issued by bank to Chennai Metropolitan Development Authority.

i. Rs. Nil (FY 2015-16 Rs. 14.22 millions, FY 2014-15 Rs. 10.95 millions, FY 2013-14 Rs. Nil, , FY 2012-13 Rs. Nil) pledged with NSE and Rs. Nil (FY 2015-16 Rs. 4.55 millions, FY 2014-15 Rs. 3.50 millions, FY 2013-14 Rs. Nil, , FY 2012-13 Rs. Nil) pledged with National Securities Clearing Corporation Limited (NSCCL) for surrender of membership of the NSE by Indiabulls Brokerage Limited, a wholly owned subsidiary company.
As per the revised surrender norms of the NSE these fixed deposits shall be released after three years from the date of issue of public notification or on receipt of confirmation from the Securities and Exchange Board of India (SEBI) regarding cancellation of registration whichever is later, subject to fulfillment of all dues under Rules/Regulations/Bye-Laws of the NSE/NSCCL and circulars issued thereunder, including arbitration awards and valid investors/other grievances/claims against the member. During the year ended March 31, 2017, the NSE vide its letters dated April 4, 2016 confirmed the release of payment of the aforesaid fixed deposits in favour of the Company. On April 7, 2016, the proceeds of the aforesaid fixed deposits, including interest accrued thereon were credited to the Company's bank account.

(ii) Balances with banks include deposit of Rs. Nil (FY 2015-16 Rs. 16.09 millions; FY 2014-15 Rs. 0.26 millions; FY 2013-14 Rs. Nil, FY 2012-13 Rs. Nil) with remaining maturity of more than twelve months from balance sheet date.

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)

NOTE - 24 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED SHORT-TERM LOANS AND ADVANCES

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
(a) Inter-Corporate Deposits (Unsecured, Considered Good)	204.73	324.73	1,313.00	-	-
(i) Upfront Security Deposit, Unsecured Considered Good	-	-	-	-	-
(b) Margin Funding Loan Receivables (Secured, Considered Good)	26.64	12.29	19.23	39.56	47.82
Less: Margin received	4.04	3.38	3.80	31.65	24.04
	22.60	8.91	15.43	7.91	23.78
(c) Secured Loans Given	-	-	-	-	-
(c) Security Deposits (Unsecured Considered Good)	4,784.04	6,398.73	4,300.26	1,510.05	1,232.60
(d) Deposits (including margin money) with stock exchanges, (unsecured, considered good)	399.76	-	40.00	-	-
(e) Prepaid Expenses, Cenvat Credit Receivable and Others (Unsecured, Considered Good)	233.46	103.20	318.36	319.79	44.06
(f) Advance Income Tax / Tax Deducted At Source (Net of provision for tax)	363.99	219.65	253.08	39.61	104.94
(g) Other Loan Given (Unsecured, Considered Good)	170.15	95.20	182.40	214.21	-
	6,178.73	**7,150.42**	**6,422.53**	**2,091.57**	**1,405.38**

NOTE - 25 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED OTHER CURRENT ASSETS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Others					
Interest Accrued on Fixed Deposits	10.53	24.28	27.89	21.98	21.18
Interest accrued on Loans	61.45	173.17	122.49	70.45	-
Interest Receivable on Other Deposits	-	-	37.50	-	-
Other receivable	51.17	59.49	41.83	-	-
Unamortised expenses - Ancillary borrowing cost	-	19.98	20.03	-	-
Lease equalisation	-	49.16	-	-	-
	123.15	**326.08**	**249.74**	**92.43**	**21.18**

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)

NOTE - 26 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED REVENUE FROM OPERATIONS

(Rs. In Millions)

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
(a) Sale of Services (i)	3,221.99	3,031.22	3,074.62	2,625.37	1,632.30
(b) Other Operating Revenues (ii)	871.47	683.76	252.50	222.95	220.23
	4,093.46	**3,714.98**	**3,327.12**	**2,848.32**	**1,852.53**
(i) Sale of Services includes :					
Brokerage Income	2,296.35	2,287.86	2,731.33	2,396.64	1,399.98
Interest on Margin Funding / Delayed Payments	65.23	56.31	61.60	36.07	62.83
Interest from Financing Activities	60.31	38.16	15.10	43.21	-
Management Fee	12.16	-	-	-	-
Income from Depository Services	49.41	63.56	82.78	78.92	93.75
Rental income (Refer note - 37)	526.37	439.19	98.36	-	-
Maintenance income	143.40	93.31	29.73	-	-
Other Charges including Transaction Charges	34.16	28.99	30.57	52.14	41.52
Stamp Duty Recoveries	34.60	23.84	25.15	18.39	34.22
	3,221.99	3,031.22	3,074.62	2,625.37	1,632.30
(ii) Other Operating Revenues includes :					
Interest on Deposits	105.90	160.39	135.94	154.06	181.39
Interest on Earnest Money Deposits	67.96	-	-	-	-
Advisory Income	-	-	-	1.78	-
Consultancy Fees and Advisory Income	694.60	519.53	111.79	15.94	27.27
Income from IPO commission, Mutual Funds commission, Account Opening and other Miscellaneous Income	3.01	3.84	4.77	51.17	11.57
	871.47	683.76	252.50	222.95	220.23

NOTE - 27 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED OTHER INCOME

(Rs. In Millions)

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Interest Income					
Interest Income from Inter Corporate Deposit	22.86	108.75	66.95	19.64	10.59
Interest from Loan	-	-	-	-	26.88
Interest Income from Income Tax Refund	3.34	6.62	4.11	9.99	2.85
	26.20	115.37	71.06	29.63	40.32
Dividend Income					
Dividend Income on Other Long-Term Investments	0.85	1.11	9.79	19.04	14.08
Dividend Income on Current Investments	0.51	1.94	3.38	2.86	4.26
	1.36	3.05	13.17	21.90	18.34
Other Non-Operating Income					
Excess Provision for incentives and other expenses no longer required written back	16.71	8.44	5.83	20.59	18.13
Sundry Credit Balances Written Back	30.73	9.75	2.22	8.69	3.40
Gain on Foreign Exchange Fluctuations (Refer note - 4(i))	3.81	4.12	2.03	2.90	0.98
Bad Debt Recovered	0.24	2.72	3.24	0.25	0.06
Profit on Sale of Current Investments	12.89	75.89	72.07	7.54	1.06
Profit on Sale of Assets	135.00	65.41	62.22	-	-
Profit on Sale of Long Term Investments	-	-	469.66 *	7.98	1.30
Profit on Disposal of subsidiary company	672.92 **	-	-	-	-
Profit on sale / scrapping of fixed assets	0.69	0.73	0.53	-	-
Miscellaneous Income	3.21	15.01	1.43	1.88	0.22
Share in Reserve of Associate	-	-	-	0.99	0.66
	876.20	182.07	619.23	50.82	25.81
	903.76	**300.49**	**703.46**	**102.35**	**84.47**

*** Refer Note No. 17(ii) of Annexure V**

**** Refer Note No. 43 of Annexure V**

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)

NOTE - 28 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED OPERATING EXPENSES

(Rs. In Millions)

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Stamp Duty	36.96	25.14	29.50	23.03	38.12
SEBI Charges	2.30	1.76	1.89	1.24	1.51
Commission	170.69	213.92	240.69	92.57	17.30
Depository Charges	7.96	6.19	6.64	5.49	6.41
Transaction Charges	32.57	25.53	27.95	24.51	42.79
Membership Fees	3.57	2.79	1.14	1.43	2.80
Web Hosting Expenses	8.48	9.27	9.07	11.18	12.78
VSAT Charges	0.71	0.79	1.10	1.31	3.61
Leased Line Expenses	5.64	5.58	5.33	7.96	15.49
Content Expenses	0.95	0.90	1.09	2.89	4.53
Software Expenses	2.90	2.22	2.37	2.42	3.06
	272.73	**294.09**	**326.77**	**174.03**	**148.40**

NOTE - 29 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED EMPLOYEE BENEFIT EXPENSES

(Rs. In Millions)

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Salaries	845.54	838.78	692.26	620.94	591.62
Contribution to Provident Fund and Other Funds	5.45	4.60	3.56	2.91	4.47
Staff Welfare Expenses	17.80	15.49	8.29	7.44	13.82
Provision for Gratuity and Compensated absences (Refer note - 33)	26.46	26.91	20.85	14.11	14.61
	895.25	**885.78**	**724.96**	**645.40**	**624.52**

NOTE - 30 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED FINANCE COSTS

(Rs. In Millions)

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Bank Charges	29.31	32.55	12.70	11.70	15.24
Interest on Inter Corporate Deposits	526.74	599.11	209.79	70.24	4.77
Interest - Others	-	-	-	-	0.01
Interest on Taxes	0.23	8.07	18.23	21.43	4.59
Interest on Working Capital Loan	25.06	42.83	13.88	5.51	6.31
Interest on Short Term Loans	-	49.79	71.72	13.17	-
Interest on Bank Overdraft	43.14	89.80	52.38	67.62	37.99
Interest on Vehicle loans	0.53	0.84	1.50	1.33	0.63
Interest on Lease Rent Discounting	371.87	342.70	1.12	-	-
Interest on Commercial Papers	381.46	309.06	222.00	61.52	12.64
	1,378.34	**1,474.75**	**603.32**	**252.52**	**82.18**

NOTE - 31 : SUMMARY STATEMENT OF RESTATED CONSOLIDATED OTHER EXPENSES

(Rs. In Millions)

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Lease Rent (Refer Note - 37)	77.76	79.27	99.72	115.53	143.48
Rates and Taxes	20.64	16.01	17.11	4.07	31.53
Electricity Expenses	31.29	30.76	19.56	16.26	20.52
Insurance	3.66	3.86	0.66	0.54	0.61
Communication Expenses	19.76	17.80	20.22	24.86	34.71
Legal and Professional Charges	34.42	30.82	12.67	16.25	33.44
Traveling & Conveyance	14.92	21.68	16.69	14.75	12.25
Printing and Stationery	10.14	9.85	11.66	11.77	11.72
Office Maintenance	21.08	19.22	20.47	14.08	24.29
Repairs and Maintenance - Others	70.46	71.45	31.23	15.27	24.77
Business Promotion	37.81	32.90	20.71	5.99	5.25
Auditors' Remuneration (excluding service tax)					
- For Statutory Audit	6.89	3.34	3.06	2.97	5.72
- For Tax Audit	0.08	0.08	0.08	0.08	0.10
- For Certification	0.67	0.50	0.50	0.50	1.00
- Reimbursement of Expenses	0.60	0.45	0.45	0.45	0.90
Loss on Erroneous Transactions (net) (Refer Note - 40)	0.04	0.02	0.04	0.03	0.30
Donations (refer Note - 39)	39.20	22.46	15.13	-	-
Loss on Sale / Scrapping of fixed assets	1.42	-	-	23.37	9.05
Bad Debts / advances / security deposits written off (net) [(i)]	7.43	1.30	0.83	0.87	0.45
Provision for Doubtful Debts, Advances and Security Deposits	12.39	1.71	0.41	3.95	39.40
Contingent Provisions / Loan assets written off	20.96	0.19	-	0.21	-
Loss on Disposal of Subsidiary Company	-	-	-	0.52	-
Preliminary Expenses	0.98	-	-	-	-
Miscellaneous Expenses	0.74	0.68	0.76	0.69	0.85
	433.34	**364.35**	**291.96**	**273.01**	**400.34**

(i)

(Rs. In Millions)

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Bad Debts / advances / security deposits written off	7.43	1.30	0.83	0.87	2.56
Less : Adjusted against provision of earlier years	-	-	-	-	(2.11)
	7.43	**1.30**	**0.83**	**0.87**	**0.45**

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)
Notes to the Restated Consolidated Financial Statements

Note - 32
A. Contingent liabilities not provided for in respect of: **(Rs. In Millions)**

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
- Claims against the Company not acknowledged as debts in respect of:					
Penalty for synchronised trading under SEBI regulations(i)	1.50	1.50	1.50	1.50	1.50
Arbitration matters(ii)	-	-	-	2.15	0.20
Court Cases(ii)	2.80	5.92	9.83	6.64	4.45

(i) During the year ended March 31, 2011, the Securities Appellate Tribunal ("SAT") had passed an order dated October 26, 2010 in favour of the Company setting aside the penalty imposed by SEBI. However, during the year ended March 31, 2012, SEBI had preferred an appeal against the judgment of the SAT before the Honourable Supreme Court of India . The matter is pending adjudication.
(ii) The Company is involved in various legal proceedings as respondents / defendants for various claims including those related to conduct of its business. In respect of these claims, the Company believes, these claims do not constitute material litigation matters and with its meritorious defenses the ultimate disposition of these matters will not have material adverse effect on its financial statements / position.

B. Commitments:

(Rs. In Millions)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
- Capital Commitments for purchase of fixed assets	2,178.13	2,114.13	2,515.53	400.00	417.76

Note - 33

Employee Stock Option Schemes:

a) Employees Stock Option Scheme - 2008

Pursuant to a resolution passed by the Shareholders on January 19, 2009, the Company had cancelled and withdrawn the existing "Employee Stock Option Scheme - 2007", covering 15,000,000 stock options and established a new 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 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 Company. Employees covered by the plan were granted an option to purchase shares of the Company subject to the requirements of vesting.

A Compensation Committee constituted by the Board of Directors of the Company administered the plan. The Compensation Committee at its meeting held on January 24, 2009, had granted, under the "Indiabulls Ventures Limited Employees Stock Option Scheme - 2008" ("IBVL ESOP - 2008") (title changed by Compensation Committee at its meeting held on August 28, 2015 from "Indiabulls Securities Limited Employees Stock Option Scheme - 2008") , 20,000,000 Stock Options representing an equal number of Equity Shares of face value Rs. 2 each in the Company, to the Eligible Employees, at an exercise price of Rs. 17.40, being the latest available closing market price on the National Stock Exchange of India Ltd., as on January 23, 2009 following the intrinsic method of accounting as is prescribed in the Guidance Note on Accounting for Employees Share-Based Payments ("the Guidelines") issued by the Institute of Chartered Accountants of India. 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 in the eligible employees over a period of 10 years beginning from January 25, 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, the Compensation Committee at its meeting held on July 1, 2016, has regranted under the IBVL ESOP - 2008 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 Company, to the Eligible Employees, at an exercise price of Rs. 24.15, being the latest available closing market price on the National Stock Exchange of India Ltd., as on June 30, 2016. The stock options so granted, shall vest uniformly over a period of 5 years beginning from July 2, 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.

S. No.	Particulars	IBVL ESOP - 2008	
		20,000,000 Options	9,700,000 Options Regranted
1	Exercise price	Rs. 17.40	Rs. 24.15
2	Expected volatility *	79.00%	42.97%
3	Expected forfeiture percentage on each vesting date	Nil	Nil
4	Option Life (Weighted Average)	11 Years	6 Years
5	Expected Dividends yield	22.99%	10.82%
6	Risk Free Interest rate	6.50%	7.45%
Fair value of the options under the plans using the Black Scholes Merton Option Pricing Model as certified by an independent firm of Chartered Accountants.		Re. 0.84	Rs. 4.31

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

b) Employees Stock Option Scheme - 2009

The Shareholders of the Company at their Annual General Meeting held on September 30, 2009 have authorised the Board of Directors to grant 20,000,000 options, representing equivalent number of Equity Shares of face value Rs. 2 each in one or more tranches, pursuant to an Employee Stock Option Scheme titled as 'Indiabulls Ventures Limited Employees Stock Option Scheme - 2009' ("IBVL ESOP - 2009") (title changed by Compensation Committee at its meeting held on August 28, 2015 from "Indiabulls Securities Limited Employees Stock Option Scheme - 2009"). The options covered under the Scheme would be granted at a price and on such terms and conditions as may be decided by the Compensation Committee, to the eligible employees of the Company and its subsidiaries.

The Compensation Committee constituted by the Board of Directors of the Company, at its meeting held on December 1, 2009, granted, under the IBVL ESOP - 2009 10,000,000 Stock Options representing an equal number of Equity Shares of face value Rs. 2 each in the Company, at an exercise price of Rs. 35.25, being the latest available closing market price on the National Stock Exchange of India Ltd., on November 30, 2009. The Stock Options so granted, shall vest uniformly over 10 years beginning from December 2, 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.

Further, the Compensation Committee constituted by the Board of Directors of the Company has at its meeting held on April 12, 2010, granted, under the IBVL ESOP - 2009 2,050,000 Stock Options representing an equal number of Equity Shares of face value Rs. 2 each in the Company, at an exercise price of Rs. 31.35, being the latest available closing market price on the National Stock Exchange of India Ltd., on April 9, 2010. The Stock Options so granted, shall vest uniformly over 10 years beginning from April 13, 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.

Further, the Compensation Committee constituted by the Board of Directors of the Company has at its meeting held on August 25, 2015, 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 Company, at an exercise price of Rs.27.45, being the latest available closing market price on the National Stock Exchange of India Ltd., as on August 24, 2015. The stock options so granted, shall vest uniformly over a period of 5 years beginning from August 26, 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 March 31, 2017, the Company has received the request from various option holders to surrender 10,000,000 stock options, which has been accepted by the Company.

Further, the Compensation Committee at its meeting held on May 12, 2016, has regranted under the IBVL ESOP - 2009 9,500,000 Stock Options (surrendered and lapsed options eligible for regrant) representing an equal number of Equity Shares of face value Rs. 2 each in the Company, to the Eligible Employees, at an exercise price of Rs. 16.00, being the latest available closing market price on the National Stock Exchange of India Ltd., as on May 11, 2016. The stock options so granted, shall vest uniformly over a period of 5 years beginning from May 13, 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, the Compensation Committee at its meeting held on July 1, 2016, has 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 Rs. 2 each in the Company, to the Eligible Employees, at an exercise price of Rs. 24.15, being the latest available closing market price on the National Stock Exchange of India Ltd., as on June 30, 2016. The stock options so granted, shall vest uniformly over a period of 5 years beginning from July 2, 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. During the year ended March 31, 2017, the Company has received the request from various option holders to surrender 10,000,000 stock options, which has been accepted by the Company.

S. No.	Particulars	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
1	Exercise price	Rs. 35.25	Rs. 31.35	Rs. 27.45	Rs. 16.00	Rs. 24.15
2	Expected volatility *	77.00%	48.96%	38.59%	40.74%	42.97%
3	Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil
4	Option Life (Weighted Average)	10 Years	10 Years	7 Years	6 Years	6 Years
5	Expected Dividends yield	13.48%	6.86%	9.16%	16.33%	10.82%
6	Risk Free Interest rate	7.50%	8.05%	6.50%	7.45%	7.45%
Fair value of the options under the plans using the Black Scholes Merton Option Pricing Model as certified by an independent firm of Chartered Accountants.		Rs. 6.48	Rs. 9.39	Rs. 4.77	Rs. 1.38	Rs. 4.31

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

Had the compensation cost for the stock options granted under the IBVL ESOP - 2008 and IBVL ESOP - 2009 been determined based on the fair value approach, the Company's net profit and Basic / Diluted earnings per Equity Share would have been as per the pro forma amounts indicated below:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Profit attributable to Equity Shareholders (Refer note - 38) (Rs. In millions)	1,244.88	735.41	1,471.46	1,022.34	396.95
Less: Stock-based compensation expense (Rs. In Millions) determined under the fair value based method: [Gross F.Y. 2016-17- Rs. 16.02 millions, F.Y. 2015-16 - Rs. 16.45 millions, F.Y. 2014-15 - Rs. 16.59 millions, F.Y. 2013-14 - Rs. 16.59 millions, F.Y. 2012-13 - Rs. 23.58 millions] (pro forma)	0.56	0.84	0.87	0.93	1.58
Net Profit considered for computing Earnings per Equity Share (pro forma) (Rs. In millions)	1,244.32	734.57	1,470.59	1,021.41	395.37
Basic / Diluted Earnings Per Equity Share:					
Weighted average number of Equity Shares used for computing Basic Earnings per Equity Share (No. of shares)	295,000,363	291,937,356	258,749,486	231,112,511	231,112,511
Add: Potential number of Equity Shares that could arise on exercise of Employee Stock Options (No. of shares)	6,463,014	1,528,205	2,957,646	357,152	-
Add: Potential number of Equity Shares that could arise on exercise of Warrants (No. of shares)	10,156,973	274,685	17,638,846	5,353,352	-
Weighted average number of Equity Shares used for computing Diluted Earnings per Equity Share (No. of shares)	311,620,350	293,740,246	279,345,978	236,823,015	231,112,511
Basic earnings per Equity Share (as reported) (Rs.)	3.99	2.50	5.27	4.32	1.72
Basic earnings per Equity Share (pro forma) (Rs.)	4.22	2.52	5.68	4.42	1.71
Diluted earnings per Equity Share (as reported) (Rs.)	3.99	2.50	5.27	4.32	1.72
Diluted earnings per Equity Share (pro forma) (Rs.)	3.99	2.50	5.26	4.31	1.71

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)

The other disclosures in respect of the above Stock Option Schemes are as under:

	IBVL ESOP - 2008	
Total Options under the Scheme (Nos.)	**20,000,000**	
Options granted (Nos.)	20,000,000	9,700,000 (Regrant)
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
Vesting Date	January 25th each year, commencing January 25, 2010	July 2nd each year, commencing July 2, 2017
Exercise Price (Rs.)	17.40	24.15
F.Y. 2016-17		
Outstanding at the beginning of the year (Nos.)	4,884,894	-
Regrant Addition (Nos.)	-	9,700,000
Options vested during the year (Nos.)*	708,808	-
Exercised during the year (Nos.)	2,687,378	-
Expired during the year (Nos.)	57,050	-
Surrendered and eligible for re-grant during the year (Nos.)	614,150	-
Outstanding at the end of the year (Nos.)	1,526,316	9,700,000
Exercisable at the end of the year (Nos.)	463,107	-
Remaining contractual Life (Weighted Months)	64	88

* Net of options surrendered before vesting.

F.Y. 2015-16	
Exercise Price (Rs.)	17.40
Outstanding at the beginning of the year (Nos.)	6,213,404
Options vested during the year (Nos.)*	915,808
Exercised during the year (Nos.)	706,460
Expired during the year (Nos.)	281,900
Surrendered and eligible for re-grant during the year (Nos.)	340,150
Outstanding at the end of the year (Nos.)	4,884,894
Exercisable at the end of the year (Nos.)	2,599,127
Remaining contractual Life (Weighted Months)	58

* Net of options surrendered before vesting.

F.Y. 2014-15	
Exercise Price (Rs.)	17.40
Outstanding at the beginning of the year (Nos.)	9,935,525
Options vested during the year (Nos.)*	1,003,708
Exercised during the year (Nos.)	2,840,571
Expired during the year (Nos.)	406,800
Surrendered and eligible for re-grant during the year (Nos.)	474,750
Outstanding at the end of the year (Nos.)	6,213,404
Exercisable at the end of the year (Nos.)	2,700,429
Remaining contractual Life (Weighted Months)	49

* Net of options surrendered before vesting.

F.Y. 2013-14	
Exercise Price (Rs.)	17.40
Outstanding at the beginning of the year (Nos.)	10,965,083
Options vested during the year (Nos.)*	1,072,608
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Surrendered and eligible for re-grant during the year (Nos.)	1,029,558
Outstanding at the end of the year (Nos.)	9,935,525
Exercisable at the end of the year (Nos.)	5,167,742
Remaining contractual Life (Weighted Months)	61

* Net of options surrendered before vesting.

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F.Y. 2012-13	
Exercise Price (Rs.)	17.40
Outstanding at the beginning of the year (Nos.)	12,625,008
Options vested during the year (Nos.)*	1,182,538
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Surrendered and eligible for re-grant during the year (Nos.)	1,659,925
Outstanding at the end of the year (Nos.)	10,965,083
Exercisable at the end of the year (Nos.)	4,519,702
Remaining contractual Life (Weighted Months)	73

* Net of options surrendered before vesting.

	IBVL ESOP - 2009				
Total Options under the Scheme (Nos.)	**20,000,000**				
Options granted (Nos.)	10,000,000	2,050,000	10,000,000 (Regrant & Surrendered)	9,500,000 (Regrant)	10,000,000 (Regrant & Surrendered)
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
Vesting Date	December 2nd each year, commencing December 2, 2010	April 13th each year, commencing April 13, 2011	August 26th each year, commencing August 26, 2016	May 13th each year, commencing May 13, 2017	July 2nd each year, commencing July 2, 2017
Exercise Price (Rs.)	35.25	31.35	27.45	16.00	24.15
F.Y. 2016-17					
Exercise Price (Rs.)	35.25	31.35	27.45	16.00	24.15
Outstanding at the beginning of the year (Nos.)	-	500,000	10,000,000	-	-
Regrant Addition (Nos.)	NA	NA	NA	9,500,000	10,000,000
Options vested during the year (Nos.)*	-	50,000	-	-	-
Exercised during the year (Nos.)	-	-	-	-	-
Expired during the year (Nos.)	-	50,000	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	10,000,000	347,000	10,000,000
Outstanding at the end of the year (Nos.)	-	450,000	-	9,153,000	-
Exercisable at the end of the year (Nos.)	-	250,000	-	-	-
Remaining contractual Life (Weighted Months)	-	48	-	86	-

* Net of options surrendered before vesting.

F.Y. 2015-16			
Exercise Price (Rs.)	35.25	31.35	27.45
Outstanding at the beginning of the year (Nos.)	-	500,000	-
Options vested during the year (Nos.)*	-	50,000	-
Exercised during the year (Nos.)	-	-	-
Expired during the year (Nos.)	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-
Outstanding at the end of the year (Nos.)	-	500,000	10,000,000
Exercisable at the end of the year (Nos.)	-	250,000	-
Remaining contractual Life (Weighted Months)	-	54	89

* Net of options surrendered before vesting.

F.Y. 2014-15		
Exercise Price (Rs.)	35.25	31.35
Outstanding at the beginning of the year (Nos.)	-	500,000
Options vested during the year (Nos.)*	-	50,000
Exercised during the year (Nos.)	-	-
Expired during the year (Nos.)	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-
Outstanding at the end of the year (Nos.)	-	500,000
Exercisable at the end of the year (Nos.)	-	200,000
Remaining contractual Life (Weighted Months)	Nil	78

* Net of options surrendered before vesting.

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F.Y. 2013-14		
Exercise Price (Rs.)	35.25	31.35
Outstanding at the beginning of the year (Nos.)	-	500,000
Options vested during the year (Nos.)*	-	50,000
Exercised during the year (Nos.)	-	-
Expired during the year (Nos.)	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-
Outstanding at the end of the year (Nos.)	-	500,000
Exercisable at the end of the year (Nos.)	-	150,000
Remaining contractual Life (Weighted Months)	Nil	90

* Net of options surrendered before vesting.

F.Y. 2012-13		
Exercise Price (Rs.)	35.25	31.35
Outstanding at the beginning of the year (Nos.)	-	500,000
Options vested during the year (Nos.)*	-	50,000
Exercised during the year (Nos.)	-	-
Expired during the year (Nos.)	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-
Outstanding at the end of the year (Nos.)	-	500,000
Exercisable at the end of the year (Nos.)	-	100,000
Remaining contractual Life (Weighted Months)	Nil	102

* Net of options surrendered before vesting.

Note - 34

Employee Benefits:

Provident Fund, Gratuity and Long-Term Compensated Absences - disclosures as per Accounting Standard - 15 (Revised) - 'Employee Benefits':

Contributions are made to Government Provident Fund, Family Pension Fund and other statutory funds which cover all regular employees eligible under the respective acts. Both the employees and the Company make predetermined contributions to the Provident Fund. The contributions are normally based on a certain proportion of the employee's salary. The Company has recognised an amount of Rs. 6.39 millions (FY 2015-16 Rs. 3.65 millions; FY 2014-15 Rs. Rs. 2.63 millions; FY 2013-14 Rs. 0.99 millions; FY 2012-13 Rs. 1.42 millions) towards Employer's Contribution for the above mentioned funds.

Provision for unfunded / funded Gratuity and Compensated Absences for eligible employees is based on an actuarial valuation carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains / losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

Disclosures in respect of Gratuity:

(Rs. In Millions)

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
	Unfunded	Unfunded	Unfunded	Unfunded	Unfunded
Reconciliation of Liability recognised in the Balance Sheet :					
Present Value of Commitments (as per Actuarial valuation)	74.44	61.13	51.23	40.02	42.59
Fair Value of Plans	-	-	-	-	-
Net Liability in the Balance Sheet (as per Actuarial valuation)	74.44	61.13	51.23	40.02	42.59
Movement in net Liability recognised in the Balance Sheet :					
Net Liability as at beginning of the year	61.13	51.23	40.02	42.59	40.94
Amount Paid during the year	10.87	10.07	7.78	14.90	12.57
Net expense / (gain) recognised in the Statement of Profit and Loss	23.49	20.26	18.99	12.33	14.22
Actual return on plan assets	-	-	-	-	-
Acquired on consolidation / Acquisition adjustment on transfer of employees	0.69	(0.29)	-	-	-
Adjustment on disposal of subsidiary company	-	-	-	-	-
Contribution during the year			-	-	-
Net Liability as at end of the year	74.44	61.13	51.23	40.02	42.59
Expense recognised in the Statement of Profit and Loss :					
Current Service Cost	11.17	8.90	7.20	5.78	6.92
Past Service Cost	0.04	-	-	-	-
Interest Cost	5.13	4.42	3.64	3.53	3.49
Expected return on plan assets	-	-	-	-	-
Actuarial losses / (gains)	7.15	6.93	8.16	3.02	3.81
Expense charged / (reversal) to the Statement of Profit and Loss	23.49	20.25	19.00	12.33	14.22
Return on plan assets :					
Acquired on consolidation during the year	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-
Actuarial losses / (gains)	-	-	-	-	-
Actual return on plan assets	-	-	-	-	-
Reconciliation of defined-benefit Commitments :					
Commitments as at beginning of the year	61.13	51.23	40.02	42.59	40.94
Current Service Cost	11.17	8.90	7.20	5.78	6.92
Past Service Cost	0.04	-	-	-	-
Interest Cost	5.13	4.42	3.64	3.53	3.49
Acquired on consolidation / Acquisition adjustment on transfer of employees	0.69	(0.29)	-	-	-
Adjustment on disposal of subsidiary company	-	-	-	-	-
Paid benefits	(10.87)	(10.07)	(7.78)	(14.90)	(12.57)
Expected return on plan assets	-	-	-	-	-
Actuarial losses / (gains)	7.15	6.93	8.16	3.02	3.81
Commitments as at end of the year	74.44	61.12	51.24	40.02	42.59

Reconciliation of plan assets :					
Plan assets as at beginning of the year	-	-	-	-	-
Acquired on consolidation during the year	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-
Contributions during the year	-	-	-	-	-
Paid benefits	-	-	-	-	-
Actuarial losses / (gains)	-	-	-	-	-
Adjustment on disposal of subsidiary company	-	-	-	-	-
Plan assets as at end of the year	-	-	-	-	-

Particulars	**2016-17**	**2015-16**	**2014-15**	**2013-14**	**2012-13**
	Funded	**Funded**	**Funded**	**Funded**	**Funded**
Reconciliation of Liability recognised in the Balance Sheet :					
Present Value of Commitments (as per Actuarial valuation)	-	3.11	1.81	-	-
Fair Value of Plans	-	(1.13)	(1.05)	-	-
Net Liability in the Balance Sheet (as per Actuarial valuation)	-	1.98	0.76	-	-
Movement in net Liability recognised in the Balance Sheet :					
Net Liability as at beginning of the year	3.11	1.81	-	-	-
Amount Paid during the year	-	-	-	-	-
Net expense / (gain) recognised in the Statement of Profit and Loss	0.18	0.53	0.20	-	-
Actual return on plan assets	0.09	0.09	-	-	-
Acquired on consolidation / Acquisition adjustment on transfer of employees	(0.69)	0.68	1.61	-	-
Adjustment on disposal of subsidiary company	2.69	-	-	-	-
Contribution during the year			-	-	-
Net Liability as at end of the year	-	3.11	1.81	-	-
Expense recognised in the Statement of Profit and Loss :					
Current Service Cost	0.36	0.53	0.23	-	-
Past Service Cost	-	-	-	-	-
Interest Cost	0.25	0.15	0.05	-	-
Expected return on plan assets	(0.09)	(0.09)	(0.03)	-	-
Actuarial losses / (gains)	(0.33)	(0.06)	(0.04)	-	-
Expense charged / (reversal) to the Statement of Profit and Loss	0.19	0.53	0.21	-	-
Return on plan assets :					
Acquired on consolidation during the year	-	-	0.06	-	-
Expected return on plan assets	0.09	0.09	0.04	-	-
Actuarial losses / (gains)	0.01	(0.01)	-	-	-
Actual return on plan assets	0.09	0.09	0.09	-	-
Reconciliation of defined-benefit Commitments :					
Commitments as at beginning of the year	3.11	1.81	-	-	-
Current Service Cost	0.36	0.53	0.23	-	-
Past Service Cost	-	-	-	-	-
Interest Cost	0.25	0.15	0.05	-	-
Acquired on consolidation / Acquisition adjustment on transfer of employees	(0.69)	0.68	1.61	-	-
Adjustment on disposal of subsidiary company	(2.69)	-	-	-	-
Paid benefits	-	-	-	-	-
Expected return on plan assets	-	-	(0.03)	-	-
Actuarial losses / (gains)	(0.34)	(0.06)	(0.04)	-	-
Commitments as at end of the year	-	3.11	1.82	-	-

Reconciliation of plan assets :					
Plan assets as at beginning of the year	1.13	1.05	-	-	-
Acquired on consolidation during the year	-	-	1.01	-	-
Expected return on plan assets	0.09	0.09	0.04	-	-
Contributions during the year	-	-	-	-	-
Paid benefits	-	-	-	-	-
Actuarial losses / (gains)	0.01	(0.01)	-	-	-
Adjustment on disposal of subsidiary company	(1.23)	-	-	-	-
Plan assets as at end of the year	-	1.13	1.05	-	-

Experience adjustment: **(Rs. In Millions)**

Particulars	Gratuity (Funded and Unfunded)				
	2016-17	2015-16	2014-15	2013-14	2012-13
On plan liabilities ((losses) / gains))	(0.14)	(4.30)	(5.94)	(9.02)	(3.70)
On plan assets (gains / (losses))	-	(0.01)	-	-	-
Present value of benefit obligation	74.46	64.25	53.05	40.03	42.60
Fair value of plan assets	-	1.13	1.05	-	-
Excess of obligation over plan assets / (plan assets over obligation)	74.46	63.11	52.01	40.03	42.60

Compensated Absences: **(Rs. In Millions)**

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
	Unfunded	Unfunded	Unfunded	Unfunded	Unfunded
Reconciliation of Liability recognised in the Balance Sheet :					
Present Value of Commitments (as per Actuarial valuation)	19.40	19.49	13.54	11.54	12.72
Fair Value of Plans	-	-	-	-	-
Net Liability in the Balance Sheet (as per Actuarial valuation)	19.40	19.49	13.54	11.54	12.72
Movement in net Liability recognised in the Balance Sheet :					
Net Liability as at beginning of the year	19.49	13.54	11.54	12.72	14.55
Amount Paid during the year	1.84	0.16	0.49	1.61	0.73
Net expense / (gain) recognised in the Statement of Profit and Loss	2.64	6.08	1.65	0.43	(1.10)
Actual return on plan assets	-	-	-	-	-
Acquired on consolidation / Acquisition adjustment on transfer of employees	-	0.03	0.84	-	-
Adjustment on disposal of subsidiary company	0.89	-	-	-	-
Contribution during the year			-	-	-
Net Liability as at end of the year	19.40	19.49	13.54	11.54	12.72
Expense recognised in the Statement of Profit and Loss :					
Current Service Cost	3.21	3.42	2.62	1.96	2.47
Past Service Cost	0.01	-	-	-	-
Interest Cost	1.44	1.15	1.13	1.00	1.20
Expected return on plan assets	-	-	-	-	-
Actuarial losses / (gains)	(2.01)	1.51	(2.09)	(2.53)	(4.76)
Expense charged / (reversal) to the Statement of Profit and Loss	2.65	6.08	1.66	0.43	(1.09)
Return on plan assets :					
Acquired on consolidation during the year	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-
Actuarial losses / (gains)	-	-	-	-	-
Actual return on plan assets	-	-	-	-	-

Reconciliation of defined-benefit Commitments :					
Commitments as at beginning of the year	19.49	13.54	11.54	12.72	14.55
Current Service Cost	3.21	3.42	2.62	1.96	2.47
Past Service Cost	0.01	-	-	-	-
Interest Cost	1.44	1.15	1.13	1.00	1.20
Acquired on consolidation / Acquisition adjustment on transfer of employees	-	0.03	0.84	-	-
Adjustment on disposal of subsidiary company	(0.89)	-	-	-	-
Paid benefits	(1.84)	(0.16)	(0.49)	(1.61)	(0.73)
Expected return on plan assets	-	-	-	-	-
Actuarial losses / (gains)	(2.01)	1.51	(2.09)	(2.53)	(4.76)
Commitments as at end of the year	19.41	19.49	13.55	11.54	12.73
Reconciliation of plan assets :					
Plan assets as at beginning of the year	-	-	-	-	-
Acquired on consolidation during the year	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-
Contributions during the year	-	-	-	-	-
Paid benefits	-	-	-	-	-
Actuarial losses / (gains)	-	-	-	-	-
Adjustment on disposal of subsidiary company	-	-	-	-	-
Plan assets as at end of the year	-	-	-	-	-

Experience adjustment: **(Rs. In Millions)**

Particulars	**Compensated Absences (Unfunded)**				
	2016-17	**2015-16**	**2014-15**	**2013-14**	**2012-13**
On plan liabilities (gains / (losses))	2.68	(0.92)	0.08	0.08	9.70
On plan assets (gains/ (losses))	-	-	-	-	-
Present value of benefit obligation	19.41	19.49	13.54	11.54	12.73
Fair value of plan assets	-	-	-	-	-
Excess of obligation over plan assets / (plan assets over obligation)	19.41	19.49	13.54	11.54	12.73

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

Particulars	**As at March 31, 2017**	**As at March 31, 2016**	**As at March 31, 2015**	**As at March 31, 2014**	**As at March 31, 2013**
Discount rate					
Gratuity and Compensated Absences	7.35%	8.00%	8.25%	8.50%	8.00%
Expected return on plan assets	NA	8.35%	9.00%	NA	NA
Expected rate of salary increase	5.00%	5.00%	5.00%	5.00%	5.00%
Mortality	IALM (2006 - 08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (1994 - 96)

The employer's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet Date, towards Gratuity and Compensated Absences are Rs. 22.45 millions (FY 2015-16 Rs. 18.51 millions; FY 2014-15 Rs. 17.23 millions; FY 2013-14 Rs. 12.58 millions; FY 2012-13 Rs. 13.29 millions) and Rs. 6.02 millions (FY 2015-16 Rs. 5.90 millions; FY 2014-15 Rs. 4.09 millions; FY 2013-14 Rs. 3.86 millions; FY 2012-13 Rs. 3,63 millions) respectively.

Note - 35

Segment Reporting:

Segment information for the year ended March 31, 2017 as per Accounting Standard 17 - 'Segment Reporting':

(a) Primary segment information (by Business Segments):

(Rs. In Millions)

Business Segment	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
I. Segment Revenue					
Broking & related activities	2,944.52	3,122.03	3,176.73	2,800.70	1,852.52
Lease Rentals & related activities	674.01	551.63	133.04	-	-
Financing & related activities	460.31	38.16	15.10	47.62	-
Others and Unallocable Operations	14.59	3.17	2.26	-	-
	4,093.43	**3,714.99**	**3,327.13**	**2,848.32**	**1,852.52**
II. Segment Results					
Broking & related activities	1,521.02	1,709.46	1,849.72	1,704.85	674.71
Lease Rentals & related activities	404.91	277.72	26.15	-	-
Financing & related activities	428.37	25.18	9.98	37.60	-
Others and Unallocable Operations	773.97	197.29	656.87	54.16	(4.21)
	3,128.27	**2,209.65**	**2,542.72**	**1,796.61**	**670.50**
III. Segment Assets					
Broking & related activities	11,195.69	11,269.24	8,200.44	6,351.86	5,281.31
Lease Rentals & related activities	672.04	7,389.69	7,467.47	-	-
Financing & related activities	680.90	507.44	546.56	576.38	-
Others and Unallocable Operations	9,788.43	7,945.34	7,969.29	1,256.90	208.75
	22,337.06	**27,111.71**	**24,183.76**	**8,185.14**	**5,490.06**
IV. Segment Liabilities					
Broking & related activities	9,666.38	9,672.02	6,902.48	4,590.07	2,949.90
Lease Rentals & related activities	500.00	6,963.34	7,187.04	-	-
Financing & related activities	23.94	2.75	2.48	2.15	-
Others and Unallocable Operations	7,307.63	7,196.93	6,829.01	969.88	51.15
	17,497.95	**23,835.04**	**20,921.01**	**5,562.10**	**3,001.05**
V. Capital Employed					
Broking & related activities	1,529.31	1,597.22	1,297.96	1,761.79	2,331.41
Lease Rentals & related activities	172.04	426.35	280.43	-	-
Financing & related activities	656.96	504.69	544.08	574.23	-
Others and Unallocable Operations	2,480.80	748.41	1,140.28	287.02	157.60
	4,839.11	**3,276.67**	**3,262.75**	**2,623.04**	**2,489.01**

(b) The Company operates solely in one Geographic segment namely "Within India" and hence no separate information for Geographic segment wise disclosure is required.

(c) The Company's primary business segments are reflected based on principal business activities carried on by the Company. The Company's primary businesses are 'Broking and Related activities', 'Financing and Related activities' and 'Lease Rentals & Related activities'. Broking and related activities include business as a stock and share broker on the National Stock Exchange of India Limited and the BSE Limited, business as a commodity broker on the Multi Commodity Exchange of India Limited and the National Commodity and Derivative Exchange Limited, brokerage/commission on sale of flats, and other related ancillary services relating to broking activities. Lease rental and related activities include business of developing, operating and maintaining of industrial parks. Lease rental and related activites were carried upto March 16, 2017. Financing and related activities include business of financing loans and other related ancillary services.

(d) Segment revenue, results, assets and liabilities include amounts identifiable to each segment and amounts allocated on a reasonable basis.

(e) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information as disclosed in Note - 1.

Note - 36

Related Party Disclosures:

Disclosures in respect of Accounting Standard - 18 'Related Party Disclosures':

(a) Detail of related parties:

Nature of Relationship	Name of the Party
(i) Key Management Personnel	Mr. Divyesh B. Shah, Whole Time Director & Chief Executive Officer
	Mr. Amiteshwar Choudhary, Whole Time Director (w.e.f. September 28, 2016)
	Mr. Ashok Sharma, Whole Time Director (upto August 26, 2016)

(ii) Person exercising significant influence	Mr. Sameer Gehlaut Mr. Rajiv Rattan (upto July 17, 2014) [Refer note - 4(iv)] Mr. Saurabh K. Mittal (upto July 17, 2014) [Refer note - 4(iv)]
(iii) Associate Companies	Arbutus Constructions Private Limited (w.e.f January 11, 2012 and upto June 13, 2013) Viscaria Builders Private Limited (w.e.f January 11, 2012 and upto June 13, 2013) Gyan Sagar Software Technologies Private Limited (w.e.f January 11, 2012 and upto June 13, 2013)

(b) Significant transactions with Related Parties during the year ended March 31, 2017:

(Rs. In Millions)

Nature of Transaction	Key Management Personnel				
	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Income					
Brokerage Income	0.32	-	-	-	-
Expenses					
Remuneration	45.75	41.08	31.60	26.10	17.42
Finance					
Money received against ESOP	36.37	-	0.65	-	-
Money received against conversion of Share Warrants	-	7.30	2.44	-	-
Money received against Share Warrants	1.98	-	-	4.38	-

(c) Party wise Statement of Transactions:

(Rs. In Millions)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
- Mr. Divyesh B. Shah					
Brokerage Income	-	-	-	-	-
Money received against Share Warrants	19.75	-	-	13.00	-
Money received against conversion of Share Warrants	-	14.63	24.38	-	-
Money received against ESOP	33.94	-	-	-	-
Remuneration	39.81	41.08	31.60	26.10	17.42
- Mr. Sameer Gehlaut					
Brokerage Income	0.31	-	-	-	-
Money received against Share Warrants	-	-	-	19.46	-
Money received against conversion of Share Warrants	-	58.38	-	-	-
- Mr. Amiteshwar Choudhary					
Money received against ESOP	2.44	-	-	-	-
Remuneration	5.94	-	-	-	-
- Mr. Ashok Sharma					
Money received against ESOP	-	-	6.53	-	-
- Mr. Rajiv Rattan					
Money received against Share Warrants	-	-	-	6.10	-
Money received against conversion of Share Warrants	-	-	-	-	-
- Mr. Saurabh K. Mittal					
Money received against Share Warrants	-	-	-	5.22	-
Money received against conversion of Share Warrants	-	-	-	-	-

(d) Outstanding as at March 31, 2017:

(Rs. In Millions)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
- Mr. Divyesh B. Shah					
Money received against ESOP	7.84	-	-	-	-
Money received against Share Warrants	19.75	-	4.88	13.00	-
- Mr. Sameer Gehlaut					
Money received against Share Warrants	-	-	19.46	19.46	-
- Mr. Rajiv Rattan					
Money received against Share Warrants	-	-	-	6.10	-
- Mr. Saurabh K. Mittal					
Money received against Share Warrants	-	-	-	5.22	-
- Mr. Ashok Sharma					
Money received against ESOP	-	-	1.31	-	-

Related party relationships as given above are as identified by the Company.

Note - 37

Leases

Lease Expenses

The Company has taken office premises on operating lease at various locations in India and lease rent in respect of the same amounting to Rs. 77.75 millions (FY 2015-16 Rs.79.27 millions; FY 2014-15 Rs. 99.72 millions; FY 2013-14 Rs. 115.53 millions; FY 2012-13 Rs. 143.48 millions) has been charged to the Statement of Profit and Loss. The minimum lease rental outstanding are as under:

(Rs. In Millions)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Future minimum lease payments					
not later than one year	69.68	71.94	50.90	76.64	135.85
later than one year and not later than five years	175.07	205.05	69.65	62.84	156.12
later than five years	14.67	21.17	34.02	17.89	1.57

The agreements are executed for a period ranging from 11 months to 10 years with a renewable clause and in many cases, also provide for termination at will by either party giving a prior notice period between 30 to 90 days.

Lease Income

The Company's significant leasing arrangements are in respect of operating leases given for commercial premises:

(Rs. In Millions)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Class of Asset	**One Indiabulls Park**			**NA**	**NA**
Gross Carrying amount	-	4,922.63	4,920.86	-	-
Accumulated Depreciation	-	830.37	654.41	-	-
Depreciation recognised in the Statement of Profit and Loss	-	175.64	64.38	-	-

Future minimum lease rentals expected to receive under non-cancellable leases are as given below: **(Rs. In Millions)**

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
not later than one year	-	342.99	275.52	-	-
later than one year and not later than five years	-	974.33	385.43	-	-
later than five years	-	-	-	-	-

Note - 38

Earnings per Equity Share (EPS) :

Disclosure in respect of Accounting Standard - 20 'Earnings Per Share':

The basic earnings per Equity Share is computed by dividing the net profit / (loss) attributable to Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the reporting year. Diluted earnings per Equity Share is computed by considering 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. The 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 year, unless they have been issued at a later date. The number of Equity Shares and potential dilutive Equity Shares are adjusted for the potential dilutive effect of Employee Stock Option Plan and warrants as appropriate.

(Rs. In Millions)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Profit available for Equity Shareholders (Rs. In Millions)	1,244.88	735.41	1,471.46	1,022.34	396.95
Weighted average number of Equity Shares used for computing Basic Earnings per Equity Share (In Millions)	295.00	291.94	258.75	231.11	231.11
Add: Potential number of Equity Shares that could arise on exercise of Employee Stock Options (In Millions)	6.46	1.53	2.96	0.36	-
Add: Potential number of Equity Shares that could arise on exercise of Warrants (In Millions)	10.16	0.27	17.64	5.35	-
Weighted average number of Equity Shares used in computing Diluted Earnings per Equity Share (In Millions)	311.62	293.74	279.35	236.82	231.11
Face Value of Equity Share (Rs.)	2.00	2.00	2.00	2.00	2.00
Earnings Per Equity Share - Basic (Rs.)	4.22	2.52	5.69	4.42	1.72
Earnings Per Equity Share - Diluted (Rs.)	3.99	2.50	5.27	4.32	1.72

Note - 39
Donation includes:

(a) Rs. 21.30 millions (FY 2015-16 Rs. 22.46 millions; FY 2014-15 Rs. 15.13 millions; FY 2013-14 Rs. Nil; FY 2012-13 N.A.) contributed toward Corporate Social Responsibility as required under section 135 of the Companies Act, 2013.

(b) Rs. 10.00 millions (FY 2015-16 Rs. Nil; FY 2014-15 Rs. Nil; FY 2014-15 Rs. Nil; FY 2013-14 Rs. Nil; FY 2012-13 Rs. Nil) towards amount paid to Satya Electoral Trust.

Note - 40
Loss on Erroneous Transactions :
The loss on squaring off of erroneous transactions on account of trading in securities amounting to Rs. 0.038 millions (Net) (FY 2015-16 Rs. 0.024 millions (Net); FY 2014-15 Rs. 0.044 millions (Net); FY 2013-14 Rs. 0.032 million (Net); FY 2012-13 Rs. 0.30 millions) has been debited to the Statement Profit and Loss Statement.

Note - 41
Derivative Instruments:
The Company has not entered into any derivative contract for hedging any foreign currency exposure. The year end foreign currency exposures that have not been hedged by derivative instruments or otherwise are given below :

(Rs. and USD In Millions)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Amount receivable on loan notes and escrow receivable account (in USD)	1.21	1.21	1.29	1.29	1.59
Amount receivable on loan notes and escrow receivable account (in INR)	78.43	80.23	80.86	77.64	86.38

Note - 42
During the year ended March 31, 2017 borrowing cost of Rs. 6.56 millions (FY 2015-16 Rs. 27.46 millions; FY 2014-15 Rs. Nil; FY 2013-14 Rs. Nil; FY 2012-13 Rs. Nil;) has been transferred to Capital work in Progress.

Note - 43
During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company revised the estimated useful life of some of its assets to align the useful life with those specified in Schedule II. The details of previously applied rates / useful life are as follows:

Asset	Previous depreciation rate / useful life	Revised useful life
Furniture and Fixtures	6.33%/ ~15.80 years	10 years
Vehicles	9.50% / ~10.53 years	8 years
Office equipment	4.75% / ~21.05 years	5 years
Computers	16.21% / ~6.17 years	3 years
Software	25% / ~4 years	4 years

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of Rs. 83.24 millions (net of deferred tax of Rs. 41.56 millions) against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus.

The depreciation expense in the Statement of Profit and Loss for the year is higher by Rs. 16.18 millions consequent to the change in the useful life of the assets.

Note - 44
Disclosure in respect of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016 as required vide Notification No. G.S.R. 308 (E) dated March 30, 2017 issued by the Ministry of Corporate Affairs:

(Rs. In Millions)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	0.31	0.47	0.78
(+) Permitted receipts	-	0.81	0.81
(-) Permitted payments	-	1.03	1.03
(-) Amount deposited in Banks	0.31	0.08	0.39
Closing cash in hand as on December 30, 2016	**-**	**0.17**	**0.17**

Note - 45

During the year ended March 31, 2015, the Company had acquired 11,435,007 equity shares of India Land and Properties Limited ("ILPL") for a total consideration of Rs.3,915.51 Millions pursuant to share purchase agreements (SPAs) executed with the erstwhile shareholders of ILPL. Accordingly, ILPL became the wholly owned subsidiary of the Company with effect from November 18, 2014. In terms of the SPAs, as amended from time to time, the Company was liable to discharge balance consideration of Rs. 2,278.26 Millions and the same was appropriately discharged during the year ended March 31, 2016. Further, during the year ended March 31, 2016, in terms of the SPAs, the Company had paid an additional Rs. 130.29 millions to the erstwhile shareholders of the ILPL as additional cost. Consequently, the Company's investment in equity shares of ILPL was increased to Rs. 4,048.11 millions as at March 31, 2016.

On March 17, 2017, Indiabulls Distribution Services Limited (a wholly owned subsidiary of IBVL) has sold its 100% stake in equity shares and preference share in India Land and Properties Limited to Indiabulls Infrastructure Limited for a total sale consideration of Rs. 5,978.10 millions and profit of Rs. 622.58 millions is recognised in the statement of profit and loss.

India Land and Properties Limited (ILPL) was a subsidiary of Indiabulls Distribution Services Limited for the period from November 18, 2014 to March 17, 2017. Revenue from Operations for Financial Year 2014-15 (from November 18, 2014 to March 31, 2015), Financial Year 2015-16 and for Financial Year 2016-17 (from April 1, 2016 to March 16, 2017) were Rs. 431.68 Millions, Rs. 1383.67 Millions and Rs. 1033.23 Millions respectively. Following is the financial summary of ILPL:

(Rs. In Millions)

Particulars	For the period from April 1, 2016 to	For the year ended	For the period November 18, 2014 to
	March 16, 2017	March 31, 2016	March 31, 2015
Revenue From Operations	1,033.24	1,383.67	431.69
Restated Profit After Tax	375.72	612.53	238.75

(Rs. In Millions)

Particulars	As At	As At	As At
	March 16, 2017	March 31, 2016	March 31, 2015
Total Assets	8,710.83	8,681.59	7,346.57
Total Liabilities	8,710.83	8,681.59	7,346.57

(Rs. In Millions)

Particulars	For the period from April 1, 2016 to	For the year ended	For the period November 18, 2014 to
	March 16, 2017	March 31, 2016	March 31, 2015
Cash Inflows/ (Outflows) From Operating Activities	2,699.37	891.81	(1,441.45)
Cash Inflows/ (Outflows) From Investing Activities	837.95	(1,071.16)	(20.55)
Cash Inflows/ (Outflows) From Financing Activities	(253.13)	(55.00)	1,720.57

Note - 46

In order to augment the long-term resources of the Company for meeting the funding requirements for its business purposes -

(i) The Board of Directors of the Company at its meeting held on March 28, 2017, has approved the preferential offer and issue of up to 33,800,000 (Thirty Three Millions Eight Hundred Thousands) warrants convertible into equivalent number of equity shares of Rs. 2 each, to certain promoter group entities, at an exercise price of Rs. 43.75 per share, in accordance with Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended. The said issue, inter alia, has been approved by the shareholders of the Company in their extra-ordinary general meeting held on April 25, 2017.

(ii) The Board of Directors of the Company at its meeting held on April 7, 2017, has approved the preferential offer and issue of 38,865,582 (Thirty Eight Millions Eight Hundred Sixty Five Thousand Five Hundred Eighty Two) equity shares of Rs. 2 each, to a foreign portfolio investor registered with the Securities and Exchange Board of India, at an issue price of Rs. 58.40 per equity share, in accordance with Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended. For seeking shareholder's approval, to the said issuance of equity shares, the Board has convened an Extraordinary General Meeting of Shareholders of the Company on Saturday, May 6, 2017.

(iii) The Board of Directors of the Company at its meeting held on April 21, 2017, has approved the preferential offer and issue of 47,390,000 (Forty Seven Millions Three Hundred Ninety Thousand) equity shares of Rs. 2 each, to a foreign investor, at an issue price of Rs. 94.70 per equity share, in accordance with Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended. For seeking shareholder's approval, to the said issuance of equity shares, the Board has convened an Extraordinary General Meeting of Shareholders of the Company on Monday, May 22, 2017.

Note - 47

As per the best estimate of the Management, no provision is required to be made as per Accounting Standard 29 - 'Provisions, Contingent Liabilities and Contingent Assets', 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 - 48

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

For and on behalf of the Board of Directors

Divyesh B. Shah	Pinank Shah	Rajeev Lochan Agrawal	Lalit Sharma
Whole Time Director &	Whole Time Director	Chief Financial Officer	Company Secretary
Chief Executive Officer	DIN: 07859798		
DIN: 00010933			

Mumbai, September 28, 2017

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)

ANNEXURE: VI

SUMMARY STATEMENT OF RESTATED CONSOLIDATED ACCOUNTING RATIOS

Particulars		**As at March 31, 2017**	**As at March 31, 2016**	**As at March 31, 2015**	**As at March 31, 2014**	**As at March 31, 2013**
Net Profit / (loss) after tax, as restated, attributable to equity shareholders (Rs. In Millions)	A	1,244.88	735.41	1,471.46	1,022.34	396.95
Weighted average number of equity shares outstanding during the year used for computing Basic EPS (No. of shares)	B	295,000,363	291,937,356	258,749,486	231,112,511	231,112,511
Add: Potential number of Equity Shares that could arise on exercise of Employee Stock Options (No. of shares)	C	6,463,014	1,528,205	2,957,646	357,152	-
Add: Potential number of Equity Shares that could arise on exercise of Warrants (No. of shares)	D	10,156,973	274,685	17,638,846	5,353,352	-
Weighted average number of diluted equity shares outstanding during the year used for computing Diluted EPS (No. of shares)	E= (B+C+D)	311,620,350	293,740,246	279,345,978	236,823,015	231,112,511
Total number of Equity Shares outstanding during the year (No. of shares)	F	320,206,920	292,869,542	261,223,081	231,112,511	231,112,511
Restated Net worth at the end of the year (excluding money received against share warrants) (Rs. In Millions)	G	4,664.30	3,276.67	3,151.25	2,433.90	2,489.07
Earnings per Equity Share:						
(1) Basic (Rs.)	A / B	4.22	2.52	5.69	4.42	1.72
(2) Diluted (Rs.)	A / E	3.99	2.50	5.27	4.32	1.72
Return on Networth:	A / G	26.69%	22.44%	46.69%	42.00%	15.95%
Net Asset Value Rs. per share:	G / F	14.57	11.19	12.06	10.53	10.77

Notes:

1. The figures disclosed above are based on the restated consolidated summary statements of the Company.

2. The above statement should be read with the Summary of Significant Accounting Policies and Notes to the Restated Consolidated Financial information, appearing in Annexure V; and statement on Adjustments to Consolidated Financial Statements, appearing in Annexure IV.

3. The Ratios have been computed as below:

(i) Basic earnings per share (Rs.) = $\frac{\text{Net Profit / (loss) after tax, as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$

(ii) Diluted earnings per share (Rs.) = $\frac{\text{Net Profit / (loss) after tax, as restated, attributable to equity shareholders}}{\text{Weighted average number of diluted equity shares outstanding during the year}}$

(iii) Return of net worth (%) = $\frac{\text{Net Profit / (loss) after tax, as restated, attributable to equity shareholders}}{\text{Restated Net worth at the end of the year (excluding money received against share warran}}$

(iv) Net asset value per equity share (Rs.) = $\frac{\text{Restated Net worth at the end of the year (excluding money received against share warran}}{\text{Total number of equity shares outstanding at the end of year}}$

4. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

5. Networth includes Share Capital, Reserve & Surplus and excludes Money received against Share warrants

6. The above computation should be read with Note No. 38 - Earnings per Equity Share (EPS)

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)

ANNEXURE: VII

STATEMENT OF CAPITALISATION

The capitalisation statement of the Company on Consolidated basis as at March 31, 2017 as adjusted post the Issue is as follows:

(Rs. In Millions)

Particulars	Pre-Issue as at March 31, 2017	Post-Issue
Borrowings		
Long Term Borrowings	5.72	(*)
Short Term Borrowings	15,183.27	(*)
Current Maturities of Long Term Borrowings	1.79	(*)
Total Borrowings (A)	**15,190.78**	**(*)**
Shareholder’s Fund		
Equity Share Capital	640.41	(*)
Reserves & Surplus (Excluding Revaluation Reserves)	4,023.89	(*)
Money received against share warrants	166.15	
Total Shareholder’s Fund (B)	**4,830.45**	**(*)**
Total Borrowings/ Shareholder’s Fund ((A)/(B)) (1)	**3.14**	**(*)**
Long Term Borrowings/ Shareholder' Fund (2)	**0.00**	**(*)**

Note:

* Post Issue Capitalization will be determined after finalization of issue price

1. The above ratio has been computed on the basis of restated statement of accounts.
2. For the purpose of Long term debt/Equity ratio, Long term debt has been considered.

INDIABULLS VENTURES LIMITED GROUP (Formerly known as Indiabulls Securities Limited Group)

Annexure VIII -Restated Statement of Consolidated Dividends Paid/Proposed by the Company

Statement of Dividend	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Equity shares (No. of shares)	320,206,920	292,869,542	261,223,081	231,112,511	231,112,511
Face value (Rs.)	2.00	2.00	2.00	2.00	2.00
Equity Share Capital (Rs. In Millions)	640.41	585.74	522.45	462.23	462.23
Rate of Dividend %	50.00%	150.00%	200.00%	200.00%	100.00%
Dividend per Equity Share (Rs.)	1.00	3.00	4.00	4.00	2.00
Amount of Dividend (Rs. In millinos)	320.21	877.13	1,041.16	924.45	462.23
Dividend Distribution Tax (Rs. In millions) *	65.19	148.03	187.13	186.00	74.98

INDEPENDENT AUDITOR'S REPORT ON RESTATED STANDALONE FINANCIAL INFORMATION

The Board of Directors
Indiabulls Ventures Limited
(formerly known as Indiabulls Securities Limited)
M-62 & 63, First floor,
Connaught Place,
New Delhi – 110 001

Dear Sirs,

1. We have examined as appropriate, the attached Restated Standalone Financial Information of Indiabulls Ventures Limited (the "Company"), which comprise of the Summary Statement of Restated Standalone Assets and Liabilities as at March 31, 2017, 2016, 2015, 2014, and 2013, the Summary Statements of Restated Standalone Profit and Loss and the Summary Statement of Restated Cash Flows for each of the years ended March 31, 2017, 2016, 2015, 2014, and 2013 respectively, and the Summary of Significant Accounting Policies and other notes thereto (collectively, the "Restated Standalone Financial Information") as approved by the Board of Directors of the Company at their meeting held on September 28, 2017 for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Rights Issue prepared in terms of the requirements of :

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules);

   b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations"); and

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India as amended from time to time (the "Guidance Note").

2. The preparation of the Restated Standalone Financial Information is the responsibility of the management of the Company for the purpose set out in paragraph 10 below. The management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The management is also responsible for identifying and ensuring that the Company complies with the Act, the Rules, ICDR Regulations and the Guidance Note.

   Our responsibility is to examine the Restated Standalone Financial Information and confirm whether such Restated Standalone Financial Information comply with the requirements of the Act, the Rules, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Standalone Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated September 14, 2017 in connection with the proposed offer of equity shares of the Company;

b) The Guidance Note; and

c) The Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which include the concepts of test checks and materiality. This Guidance Note requires us to obtain reasonable assurance based on verification of evidence supporting the Restated Standalone Financial Information. This Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

4. These Restated Standalone Financial Information have been compiled by the management from the audited Standalone Financial Statements of the Company as at and for the years ended March 31, 2017, 2016, 2015, 2014, and 2013 which have been approved by Board of Directors at their meetings held on April 27, 2017, May 6, 2016, April 24, 2015, April 22, 2014 and April 23, 2013 respectively.

5. Based on our examination, we report that:

a) The Summary Statement of Restated Standalone Assets and Liabilities of the Company as at March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure-I to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure IV: Statement of Adjustments to Standalone Financial Statements.

b) The Summary Statement of Restated Standalone Profit and Loss of the Company for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure-II to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure-IV: Statement of Adjustments to Standalone Financial Statements.

c) The Summary Statement of Restated Standalone Cash Flows of the Company for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure-III to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure-IV: Statement of Adjustments to Standalone Financial Statements.

d) Based on the above and according to the information and explanations given to us, we further report that the Restated Standalone Financial Information:

i) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

ii) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

iii) do not contain any extra-ordinary items that need to be disclosed separately and do not contain any qualification requiring adjustments.

6. We have also examined the following Restated Standalone Financial Information of the Company set out in the Annexures, proposed to be included in the offer document, prepared by the management and approved by the Board of Directors on September 28, 2017 for the years ended March 31, 2017, 2016, 2015, 2014 and 2013:

(i) Summary Statement of Restated Standalone Share Capital included in Note 3 to Annexure V
(ii) Summary Statement of Restated Standalone Reserves and Surplus included in Note 4 to Annexure V
(iii) Summary Statement of Restated Standalone Money Received against Share warrants included in Note 5 to Annexure V
(iv) Summary Statement of Restated Standalone Share Application Money Pending Allotment included in Note 6 to Annexure V
(v) Summary Statement of Restated Standalone Long-Term Borrowings included in Note 7 to Annexure V
(vi) Summary Statement of Restated Standalone Other Long-Term Liabilities included in Note 8 to Annexure V
(vii) Summary Statement of Restated Standalone Long-Term Provisions included in Note 9 to Annexure V
(viii) Summary Statement of Restated Standalone Short-Term Borrowings included in Note 10 to Annexure V
(ix) Summary Statement of Restated Standalone Trade Payables included in Note 11 to Annexure V
(x) Summary Statement of Restated Standalone Other Current Liabilities included in Note 12 to Annexure V
(xi) Summary Statement of Restated Standalone Short-Term Provision included in Note 13 to Annexure V
(xii) Summary Statement of Restated Standalone Fixed Assets included in Note 14 to Annexure V
(xiii) Summary Statement of Restated Standalone Non-Current Investments included in Note 15 to Annexure V
(xiv) Summary Statement of Restated Standalone Deferred Tax Assets (Net) included in Note 16 to Annexure V
(xv) Summary Statement of Restated Standalone Long-term Loans and Advances included in Note 17 to Annexure V
(xvi) Summary Statement of Restated Standalone Other Non-Current assets included in Note 18 to Annexure V
(xvii) Summary Statement of Restated Standalone Trade Receivables included in Note 19 to Annexure V
(xviii) Summary Statement of Restated Standalone Cash and Cash Equivalents included in Note 20 to Annexure V
(xix) Summary Statement of Restated Standalone Short-Term Loans and Advances included in Note 21 to Annexure V
(xx) Summary Statement of Restated Standalone Other Current Assets included in Note 22 to Annexure V
(xxi) Summary Statement of Restated Standalone Revenue from Operations included in Note 23 to Annexure V
(xxii) Summary Statement of Restated Standalone Other Income included in Note 24 to Annexure V
(xxiii) Summary Statement of Restated Standalone Operating Expenses included in Note 25 to Annexure V
(xxiv) Summary Statement of Restated Standalone Employee Benefit Expenses included in Note 26 to Annexure V

(xxv) Summary Statement of Restated Standalone Finance Costs included in Note 27 to Annexure V

(xxvi) Summary Statement of Restated Standalone Other Expenses included in Note 28 to Annexure V

(xxvii) Notes to the Restated Standalone Financial Statements contained in Note 29 to Note 44 to Annexure V

(xxviii) Statement of Adjustments to Standalone Financial Statements included in Annexure IV

(xxix) Summary Statement of Restated Standalone Accounting Ratios included in Annexure VI

(xxx) Statement of Capitalisation included in Annexure VII

(xxxi) Restated Statement of Standalone Dividend Paid / Proposed by the Company included in Annexure VIII

(xxxii) Restated Statement of Tax Shelters included in Annexure IX

According to the information and explanations given to us, in our opinion, the Restated Standalone Financial Information and the above Restated Standalone Financial Information contained in Annexures I to IX accompanying this report read with Summary of Significant Accounting Policies disclosed in Note 1 and 2 included in Annexure-V are prepared after making adjustments and regroupings/reclassifications as considered appropriate [Refer Annexure-IV] and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the Financial Statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, National Stock Exchange and BSE Limited and Registrar of Companies, Delhi in connection with the proposed offer of equity shares of the Company on rights basis. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. Siddharth
Partner
(Membership No. 31467)

Place: Mumbai
Date: September 28, 2017

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)

ANNEXURE-I

SUMMARY STATEMENT OF RESTATED STANDALONE ASSETS AND LIABILITIES

(Rs. In Millions)

Particulars	Note No. of Annexure V	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
I. EQUITY AND LIABILITIES						
(1) Shareholders' funds						
(a) Share capital	3	640.41	585.74	522.45	462.23	462.23
(b) Reserves and surplus	4	2,041.68	1,422.77	1,925.49	1,662.26	1,788.47
(c) Money received against share warrants	5	166.15	-	100.56	189.18	-
		2,848.24	2,008.51	2,548.50	2,313.67	2,250.70
(2) Share application money pending allotment	6	8.62	-	10.95	-	-
(3) Non-current liabilities						
(a) Long-term borrowings	7	-	-	0.11	0.94	2.24
(b) Other long-term liabilities	8	-	99.79	99.79	99.79	99.79
(c) Long-term provisions	9	37.30	29.12	25.36	21.97	41.55
		37.30	128.91	125.26	122.70	143.58
(4) Current liabilities						
(a) Short-term borrowings	10	6,058.27	5,903.88	4,130.00	2,000.00	1,358.95
(b) Trade payables	11					
(i) Total outstanding due to micro enterprises and small enterprises		-	-	-	-	-
(ii) Total outstanding due to creditors other than micro enterprises and small enterprises		7.37	4.60	3.43	3.78	13.25
(c) Other current liabilities	12	1,776.35	742.43	795.20	866.80	1,018.84
(d) Short-term provisions	13	68.76	30.45	23.03	54.87	38.03
		7,910.75	6,681.36	4,951.66	2,925.45	2,429.07
TOTAL		**10,804.91**	**8,818.78**	**7,636.37**	**5,361.82**	**4,823.35**
II. ASSETS						
(1) Non - current assets						
(a) Fixed assets	14					
(i) Tangible assets		27.08	40.68	64.89	232.19	297.41
(ii) Intangible assets		7.35	4.34	1.47	2.85	3.78
(iii) Intangible assets under development		0.37	-	-	-	
		34.80	45.02	66.36	235.04	301.19
(b) Non-current investments	15	592.51	61.51	61.51	187.34	187.34
(c) Deferred tax assets (net)	16	81.39	83.39	83.48	44.45	67.89
(d) Long-term loans and advances	17	172.82	165.57	233.52	376.72	611.64
(e) Other non-current assets	18	4.36	14.08	11.18	15.35	4.84
		885.88	369.57	456.05	858.90	1,172.90
(2) Current assets						
(a) Trade receivables	19	418.99	313.11	337.76	190.43	202.14
(b) Cash and cash equivalents	20	8,549.51	7,803.92	6,313.31	2,903.78	2,144.53
(c) Short-term loans and advances	21	940.80	319.29	511.81	1,388.59	1,284.02
(d) Other current assets	22	9.73	12.89	17.44	20.12	19.76
		9,919.03	8,449.21	7,180.32	4,502.92	3,650.45
TOTAL		**10,804.91**	**8,818.78**	**7,636.37**	**5,361.82**	**4,823.35**

Note:
The above statement should be read with the Summary of Significant Accounting Policies and Notes to the Restated Standalone Financial information, appearing in Annexure V; and statement on Adjustments to Standalone Financial Statements, appearing in Annexure IV.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

A. Siddharth
Partner

Mumbai, September 28, 2017

Divyesh B. Shah
Whole Time Director &
Chief Executive Officer
DIN: 00010933

Pinank Shah
Whole Time Director
DIN: 07859798

Rajeev Lochan Agrawal
Chief Financial Officer

Lalit Sharma
Company Secretary

Mumbai, September 28, 2017

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)

ANNEXURE-II
SUMMARY STATEMENT OF RESTATED STANDALONE PROFIT AND LOSS

(Rs. In Millions)

		Note No. of Annexure V	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
I.	Revenue from operations	23	835.99	763.42	808.93	763.11	1,080.91
II.	Other income	24	675.09	281.79	1,220.97	859.32	181.57
III.	**Total revenue (I + II)**		**1,511.08**	**1,045.21**	**2,029.90**	**1,622.43**	**1,262.48**
IV.	**Expenses :**						
	Operating expenses	25	96.00	74.53	82.29	75.79	111.71
	Employee benefit expenses	26	267.71	201.87	197.61	192.36	271.39
	Finance costs	27	430.90	402.87	264.53	146.67	76.35
	Depreciation and amortisation expense	14	16.23	25.68	48.05	46.43	76.49
	Other expenses	28	94.75	76.09	81.85	134.51	269.11
	Total expenses		**905.59**	**781.04**	**674.33**	**595.76**	**805.05**
V.	**Profit before tax (III-IV)**		**605.49**	**264.17**	**1,355.57**	**1,026.67**	**457.43**
VI.	Tax expense / (benefit) :						
	(1) Current tax		122.41	92.80	200.10	123.70	136.59
	(2) Restated adjustment for short / (excess) provision for tax		-	0.72	1.97	1.67	7.43
	(3) Deferred Tax Expenses(net)	16	1.99	0.09	2.52	23.45	12.80
			124.40	**93.61**	**204.59**	**148.82**	**156.82**
VII.	**Restated Profit after tax**		**481.09**	**170.56**	**1,150.98**	**877.85**	**300.61**
VIII.	Earnings per Equity Share:	29					
	(1) Basic (Rs.)		1.63	0.58	4.45	3.80	1.30
	(2) Diluted (Rs.)		1.54	0.58	4.12	3.71	1.30
	Face value per Equity Share (Rs.)		2.00	2.00	2.00	2.00	2.00

Note:
The above statement should be read with the Summary of Significant Accounting Policies and Notes to the Restated Standalone Financial information, appearing in Annexure V; and statement on Adjustments to Standalone Financial Statements, appearing in Annexure IV.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

A. Siddharth
Partner

Mumbai, September 28, 2017

For and on behalf of the Board of Directors

Divyesh B. Shah
Whole Time Director &
Chief Executive Officer
DIN: 00010933

Pinank Shah
Whole Time Director
DIN: 07859798

Rajeev Lochan Agrawal
Chief Financial Officer

Lalit Sharma
Company Secretary

Mumbai, September 28, 2017

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)

ANNEXURE-III

SUMMARY STATEMENT OF RESTATED STANDALONE CASH FLOWS

(Rs. In Millions)

	Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
A	**Cash flows from operating activities :**					
	Profit before tax	605.49	264.17	1,355.57	1,026.67	457.43
	Adjustments for :					
	Depreciation and amortisation expense	16.23	25.68	48.05	46.43	76.49
	Provision for Gratuity and Compensated Absences	8.17	3.88	3.47	(22.73)	(1.61)
	Provision for doubtful debts, advances and security deposits	12.00	0.30	0.41	3.95	39.39
	(Profit) / Loss on sale / scrapping of fixed assets	(0.69)	(1.48)	(0.53)	23.37	9.05
	Sundry credit balances written back	(19.51)	(9.75)	(2.22)	(8.37)	(3.40)
	Excess provision for expenses no longer required written back	(4.67)	(2.94)	(5.11)	(18.50)	(18.10)
	Profit on sale of long-term investments	-	-	(469.66)	(6.69)	(1.30)
	Profit on sale of current investments	-	-	-	-	(0.47)
	Unrealised foreign exchange gain	(3.81)	(4.12)	(2.03)	(2.90)	(0.98)
	Dividend income on investments	(246.05)	(1.11)	(419.79)	(619.04)	(14.69)
	Interest income from inter corporate deposits	(399.86)	(249.93)	(318.39)	(200.59)	(137.71)
	Interest income from Non-Convertible Debentures	(0.01)	(0.02)	-	-	-
	Interest expense	421.08	391.16	253.56	134.04	57.50
		(217.12)	151.67	(912.24)	(671.03)	4.17
	Operating Profit before working capital changes	388.37	415.84	443.33	355.64	461.60
	Adjustments for:					
	Trade receivables and other assets	(847.40)	82.07	111.11	397.20	196.28
	Trade payables and other liabilities	644.46	(36.98)	(74.00)	(140.22)	(750.12)
		(202.94)	45.09	37.11	256.98	(553.84)
	Cash generated from operations	185.43	460.93	480.44	612.62	(92.24)
	Income tax (paid) (net)	(84.09)	(86.19)	(195.20)	(105.39)	(80.58)
	Net cash generated / (used in) from operating activities	**101.34**	**374.74**	**285.24**	**507.23**	**(172.82)**
B	**Cash flows from investing activities :**					
	Purchase of fixed assets (including capital advances given)	(16.20)	(5.12)	99.33	(8.03)	(10.61)
	Proceeds from sale of fixed assets	0.97	2.24	1.27	6.91	4.00
	Proceeds from escrow account	-	5.41	-	16.05	-
	Proceeds from sale of long-term investment	-	-	594.99	6.69	1.30
	Dividend income on other long-term investments	0.85	1.11	9.79	279.04	14.69
	Dividend income from subsidiary company	245.20	150.00	430.00	170.00	-
	Investment in subsidiary company	(531.00)	-	-	-	-
	Redemption of units of mutual funds	-	-	-	-	350.47
	Inter-corporate deposits (given) / received back from subsidiary company (net)	(209.40)	62.18	908.37	258.75	(532.00)
	Proceeds from sale of investment in subsidiary company	-	-	0.50	-	-
	Interest income from inter-corporate deposits to subsidiary company	399.86	249.93	318.39	200.59	137.71
	Interest income from non-convertible debentures	0.01	0.02	-	-	-
	Net cash (used in) / generated from investing activities	**(109.71)**	**465.77**	**2,362.64**	**930.00**	**(34.44)**
C	**Cash flows from financing activities**					
	Interest paid	(414.54)	(396.13)	(271.48)	(156.83)	(68.73)
	Payment of final dividend on equity shares pertaining to prior years	(0.04)	(0.35)	(0.01)	(0.05)	(0.03)
	Amount transferred to investor education and protection fund	(1.96)	(3.82)	-	-	-
	Payment of interim dividend on equity shares (including prior years)	(0.26)	(873.46)	(1,034.26)	(918.82)	(456.10)
	Corporate dividend tax on interim dividend on equity shares	(15.27)	(148.03)	(112.96)	(84.03)	(74.98)
	Proceeds / (Repayment of) from bank loans (net)	154.28	273.14	628.60	(860.24)	495.79
	Proceeds from commercial papers (net)	-	1,500.00	1,500.00	1,500.00	500.00
	Proceeds from issue of equity shares (including securities premium)	46.76	2.62	49.43	-	-
	Proceeds from conversion of share warrants (including securities premium)	365.13	301.67	265.88	-	-
	Proceeds from / (Refund of) share application money	8.62	(1.28)	10.95	-	-
	Money received against Share Warrants	287.86	-	-	189.18	-
	Net cash generated / (used in) from financing activities	**430.58**	**654.36**	**1,036.15**	**(330.79)**	**395.95**
D	**Net Increase in cash and cash equivalents (A+B+C)**	**422.21**	**1,494.87**	**3,684.03**	**1,106.44**	**188.69**
E	**Cash and cash equivalents at the beginning of the year**	**6,756.67**	**5,261.80**	**1,577.77**	**471.33**	**282.64**
F	**Cash and cash equivalents at the end of the year (D+E)**	**7,178.88**	**6,756.67**	**5,261.80**	**1,577.77**	**471.33**

(Refer Note - 2 below)

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)

ANNEXURE-III

SUMMARY STATEMENT OF RESTATED STANDALONE CASH FLOWS

Notes:

1 The above Restated Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on 'Cash Flow Statements'.

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

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Cash and cash equivalents	8,549.51	7,803.92	6,313.31	2,903.78	2,144.53
Less: In Fixed Deposit Accounts having maturity of more than three mor	1,370.63	1,047.25	1,051.51	1,326.01	1,673.20
Cash and Cash Equivalents as restated	**7,178.88**	**6,756.67**	**5,261.80**	**1,577.77**	**471.33**

3 Unpaid dividend account balances in designated Bank accounts aggregating to Rs. 3,46.62 millions (FY 2015-16 Rs. 28.67 millions; FY 2014-15 Rs. 29.16 millions; FY 2013-14 Rs. 22.28 millions; FY 2012-13 Rs. 16.71 millions) are not available for use by the Company (Refer note - 22).

4 Previous year's figures are regrouped wherever considered necessary to conform with current year's groupings/classifications.

5 The above statement should be read with the Summary of Significant Accounting Policies and Notes to the Restated Standalone Financial information, appearing in Annexure V; and statement on Adjustments to Standalone Financial Statements, appearing in Annexure IV.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

A. Siddharth
Partner

Mumbai, September 28, 2017

For and on behalf of the Board of Directors

Divyesh B. Shah
Whole Time Director &
Chief Executive Officer
DIN: 00010933

Pinank Shah
Whole Time Director
DIN: 07859798

Rajeev Lochan Agrawal
Chief Financial Officer

Lalit Sharma
Company Secretary

Mumbai, September 28, 2017

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)

ANNEXURE-IV

STATEMENT OF ADJUSTMENTS TO STANDALONE FINANCIAL STATEMENTS

MATERIAL RESTATEMENT ADJUSTMENTS:

The summary of results of restatements made in the audited financial statements for the respective years and its impact on the profit of the Company is as follows:

(Rs. In millions)

Particulars		For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Net Profit for the year as per audited financial statements	**A**	470.93	168.65	1,182.63	872.57	558.36
Restated Adjustments:						
Add / (Less) : Excess Provisions written back (Refer Note B1)		(3.10)	-	-	(12.43)	(57.40)
Add / (Less) : Salaries (Refer Note B2)		-	-	-	-	12.43
Add / (Less) : Stamp duty (Refer Note B3)		-	-	-	3.96	0.10
Add / (Less) : Legal and professional charges (Refer Note B4)		1.62	4.16	0.30	9.75	0.10
Add / (Less) : Rates & taxes (Refer Note B5)		-	-	10.00	-	-
Add / (Less) : Bad debts / advances / security deposits net of provisions (Refer Note B6)		10.94	0.04	0.31	0.14	14.14
Add / (Less) : Interest on taxes (Refer Note B7)		3.25	(1.35)	(0.28)	2.95	(4.51)
	B	12.71	2.85	10.33	4.37	(35.14)
Tax Impact :						
Add / (Less) : Restated adjustment for short / (excess) provision for tax (Refer Note B8)		0.72	0.43	(38.37)	5.04	(217.97)
Deferred Tax impact due to above adjustments (Refer Note B9)		(3.27)	(1.37)	(3.61)	(4.12)	(4.65)
	C	(2.55)	(0.94)	(41.98)	0.92	(222.62)
Restated profits	**(A + B +C)**	**481.09**	**170.56**	**1,150.98**	**877.86**	**300.60**

Note:

The above statement should be read with the notes to summary statement of restated Standalone assets and liabilities, summary statement of restated standalone profit and loss and summary statement of restated standalone cash flows as appearing in Annexure I, II and III respectively.

Notes on Material Adjustments

A **Reconciliation of Opening balance of Surplus in the Statement of Profit and Loss** (Rs. In millions)

Net surplus in statement of profit and loss as at April 01, 2012 as per audited financial statements	**A**	1,268.94
Restated Adjustments:		
Add / (Less) : Salaries		57.40
Add / (Less) : Stamp duty		(4.06)
Add / (Less) : Telephone Expenses		3.10
Add / (Less) : Interest on taxes		(0.06)
Add / (Less) : Rates & taxes		(10.00)
Add / (Less) : Legal and professional charges		(15.93)
Add / (Less) : Short/excess provision of earlier years		30.45
Add / (Less) : Bad debts / advances / security deposits written off		(14.22)
Add / (Less) : Provision for doubtful debts		(11.35)
Add / (Less) :Bad debts / advances / security deposits net of provisions		(25.57)
Add / (Less) : Tax Expense		267.17
Total	**B**	272.05
Net surplus in summary statement of restated standalone profit and loss as at April 01, 2012	**(A + B)**	**1,540.99**

B **Restated Adjustments**

1. Excess Provisions written back

In the earlier years, excess provisions were created. For the purpose of this statement, such excess provisions have been appropriately written back in the respective years to which it pertains.

2. Salaries

The statement of profit and loss for F.Y. 2012-13 include write back of provision incentive/bonus pertaining to previous years. They have been now been adjusted to the respective years to which they relate.

3. Stamp Duty

The statement of profit and loss for certain financial years include delayed Stamp Duty paid which have now been adjusted to the respective years to which they relate.

4. Legal and Professional Charges

The statement of profit and loss include claims paid to clients on the order of arbitrator/court. These expenses have been now been adjusted to the respective years to which they relate.

5. Rates and taxes

The statement of profit and loss for certain financial year include amounts provide consent order with SEBI which have now been adjusted to the respective years to which they relate.

6. Bad debts / advances / security deposits net of provisions

The Statement of Profit and Loss for certain financial years include Bad debts/ advances/ security deposits written off which have been adjusted in respective years alongwith their provisions of doubtful debts.

7. Interest on taxes

The statement of profit and loss include interest on taxes paid due to delay / shortfall in payment of income tax, etc. These expenses have been now been adjusted to the respective years to which they relate.

8. Short / (excess) provision for tax

The Statement of Profit and Loss for certain financial years include amounts paid / provided for or refunded / written back, in respect of shortfall / excess current tax arising upon filing of tax returns, assessments etc. which have now been adjusted in the respective years to which they relate.

9. Deferred Tax impact due to above adjustments

Tax has been computed on adjustments on as detailed above and has been adjusted in the restated statement of profit and loss for the year ended and the balance brought forward in the Restated Statement of Profit and Loss account.

10. Changes in the estimated useful lives of the fixed assets

During the year ended March 31, 2015, the management has re-estimated useful lives and residual values of all its fixed assets which has resulted in higher charge of depreciation amounting to Rs. 13.99 million in that year.

These changes are considered as a change in the estimates in consequently no retrospective adjustments have been made to the restated standalone summary statements of the company.

11. Dividend including Dividend Tax

From FY 2016-17, interim dividends are provided in the same accounting year in which it is declared by the board of directors. Earlier, based on then prevalent accounting standard the Company used to provide for dividends payable on equity shares for that year even though it is declared by the Board of Directors after the end of the reporting period. In order to maintain uniformity, the dividend for the periods 2012-2013 and 2013-2014 are provided in 2013-2014 and 2014-2015 respectively, as these were declared by the board 2013-2014 and 2014-2015 respectively.

C **Material regrouping**

Appropriate adjustments have been made in the Restated Standalone Summary Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financials of the Company as at and for the year ended March 31, 2017, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

a) Reclassification of Other Charges including transaction charges

(Rs. In millions)

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Other charges including transaction charges as per audited financials	32.36	26.63	53.63	65.34	58.01
Less: Stamp Duty Recoveries	-	-	(24.50)	(17.00)	(29.02)
Other charges including transaction charges as restated	32.36	26.63	29.13	48.34	28.99

b) Reclassification of Stamp Duty Recoveries

(Rs. In millions)

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Stamp Duty Recoveries as per audited financials	33.77	22.97	-	-	-
Add : Stamp Duty Recoveries	-	-	24.50	17.00	29.02
	33.77	22.97	24.50	17.00	29.02

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)

ANNEXURE-V
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO RESTATED STANDALONE FINANCIAL STATEMENTS

NOTE - 1
Corporate Information:
Indiabulls Ventures Limited ("IBVL" or "the Company", CIN: L74999DL1995PLC069631) carries on the business as stock and share brokers on the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE"); depository participants and other related ancillary services. On February 1, 1996 IBVL received a certificate of registration from the Securities and Exchange Board of India ("SEBI") under sub-section 1 of section 12 of the Securities and Exchange Board of India Act, 1992 to carry on the business as a stock broker. Accordingly, all provisions of the Securities and Exchange Board of India Act, 1992, and Rules and Regulations relating thereto are applicable to the Company. On April 2, 2008 the Equity shares of the Company were listed on the NSE and the BSE after the demerger of the Company from Indiabulls Financial Services Limited (erstwhile holding company) vide Scheme of Arrangement.

Pursuant to Section 13 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with the Companies (Incorporation) Rules, 2014 and subject to the approval of Registrar of Companies, NCT of Delhi and Haryana, the name of the Company has been changed from "Indiabulls Securities Limited" to "Indiabulls Ventures Limited" w.e.f. 12th March, 2015 to reflect various referral business activities carried on by the Company.

NOTE - 2
Significant Accounting Policies:

a) Basis of Accounting and Preparation of Financial Statements:
The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on an accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous years.

b) Use of Estimates:
The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

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

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

e) Revenue Recognition:
- Revenue from brokerage activities is accounted for on the trade date of the transaction.
- Income from fee based advisory services and consultancy is recognised on accrual basis.
- Revenue from interest charged to customers on margin funding is recognised on a daily/monthly basis up to the last day of accounting period.
- Depository income is accounted on accrual basis as and when the right to receive the income is established. Annual Maintenance charges are recognised on pro-rata basis over the period it is charged.
- Income from trading account maintenance is accounted on accrual basis and when the right to receive the income is established.
- Revenue from interest on fixed deposits is recognised on accrual basis.
- Commission on mutual funds is recognised on accrual basis.

f) Other Income:

- Dividend income on Equity shares is recognised when the right to receive the dividend is unconditional as at the Balance Sheet date.
- Dividend income on units of mutual funds is recognised when the right to receive the dividend is unconditional as at the Balance Sheet date. Any gains / losses on sale / redemption of units are recognised on the date of sale / redemption.
- Interest income on Inter-Corporate Deposits is recognised on accrual basis.

g) Stock-in-trade:

Stock-in-trade comprising of securities held for the purposes of trading is valued at lower of cost and net realisable value. Profit or loss on sale of such securities is determined using the weighted average cost method.

h) Commercial Papers:

The liability is recognised at face value of the commercial paper at the time of issue of the commercial paper. The discount on issue of the commercial paper is amortised over the tenure of the instrument.

i) Fixed Assets:

(i) Tangible Assets:

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

(ii) Intangible Assets:

Intangible assets are stated at cost, net of tax / duty credits availed, if any, less accumulated amortisation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

(iii) Intangible assets under development:

Expenditure on development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

j) Depreciation and Amortisation:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Leasehold Improvements are amortised over the duration of the lease. Depreciation on sale / deduction from fixed assets is provided for up to the date of sale / deduction / scrapping, as the case may be. Assets costing Rs. 5,000 or less per item are fully depreciated in the year of capitalisation.

Intangible assets consisting of Membership Rights of the BSE Limited are amortised on a straight-line method basis over a period of five years from the date when the rights became available for use.

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

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

k) Impairment of Assets:

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment, if any indication of impairment exists.

If the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets, to the extent the amount was previously charged to the Statement of Profit & Loss.

l) Investments:

Investments are classified as long-term and current. Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

m) Foreign Currency Transactions and Translations:

Recognition & translation

i. Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

ii. Monetary items denominated in foreign currencies at the year end are translated at year end exchange rates.

iii. Non monetary foreign currency items are carried at cost.

iv. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

Exchange Differences

i. Exchange differences arising on a monetary item that in substance, forms part of the Company's net investment in a non-integral foreign operation is accumulated in the Foreign Currency Translation Reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognised as income or as expenses in the same period in which the gain or loss on disposal is recognised.

ii. The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss except in case of exchange differences arising on net investment in non-integral foreign operations, where such amortisation is taken to "Foreign currency translation reserve" until disposal / recovery of the net investment. The unamortised exchange difference is carried in the Balance Sheet as “Foreign currency monetary item translation difference account” net of the tax effect thereon, where applicable.

iii. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortised over the remaining life of the concerned monetary item.

iv. All other exchange differences are recognised as income or as expenses in the period in which they arise.

n) Employee Benefits:

The Company has a defined contribution plan namely Provident Fund. Annual contribution to the Employees Provident Fund Organisation is charged to the Statement of Profit and Loss. The Company has unfunded defined benefit plans namely long-term compensated absences and gratuity for all eligible employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using the Projected Unit Credit Method. Actuarial gains / losses comprise experience adjustments and the effects of change in actuarial assumptions and are recognised in the Statement of Profit and Loss as income or expenses as applicable.

o) Deferred Employee Stock Compensation Cost:

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

p) Taxes on Income:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

q) Leases:

Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

r) Share Issue Expenses:

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the Statement of Profit and Loss.

s) Borrowing Costs:

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost of the asset. All other borrowing costs are charged to the Statement of Profit and Loss.

t) Segment Reporting:

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

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segment on the basis of their relationship to the operating activities of the segments.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities.

u) Provisions and Contingencies:

A provision is recognised when the Company has a present obligation as a result of past events 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. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

v) Derivative Contracts:

Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign currency transactions and translations.

w) Operating Cycle:

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)

NOTE - 3 : SUMMARY STATEMENT OF RESTATED STANDALONE SHARE CAPITAL

Note - 3

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Authorised					
Equity Shares of face value of Rs. 2 each (No. of shares)	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000
Equity Shares of face value of Rs. 2 each (Rs. in millions)	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Preference Shares of face value of Rs. 4.61 each (No. of shares)	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Preference Shares of face value of Rs. 4.61 each (Rs. in millions)	115.25	115.25	115.25	115.25	115.25
	1,115.25	**1,115.25**	**1,115.25**	**1,115.25**	**1,115.25**
Issued, subscribed and fully paid up [(i) to (v)]					
Equity Shares of face value of Rs. 2 each fully paid up (No. of shares)	320,206,920	292,869,542	261,223,081	231,112,511	231,112,511
Equity Shares of face value of Rs. 2 each fully paid up (Rs. in millions)	**640.41**	**585.74**	**522.45**	**462.23**	**462.23**

The Company has only one class of Equity Shares having a face value of Rs. 2 per share. Each holder of Equity Share is entitled to one vote per share. The final dividend proposed by the Board of Directors if any is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(i) 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.

(ii) Holders of Global Depository Receipts ('GDRs') will be entitled to receive dividends, subject to the terms of the Deposit Agreement, to the same extent as the holders of Equity Shares, less the fees and expenses payable under such Deposit Agreement and any Indian tax applicable to such dividends. Holders of GDRs don't have voting rights with respect to the Deposited Shares. The GDRs can not be transferred to any person located in India including Indian residents or ineligible investors except as permitted by Indian laws and regulations.

(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the financial year :

Equity Shares	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Opening balance	292,869,542	261,223,081	231,112,511	231,112,511	231,112,511
Shares issued during the year by exercise of Employee Stock Option Plan	2,687,378	706,460	2,840,571	-	-
Shares issued during the year by exercise of Warrants	24,650,000	30,940,001	27,269,999	-	-
Closing Balance	**320,206,920**	**292,869,542**	**261,223,081**	**231,112,511**	**231,112,511**

Equity Shares (Rs. In millions)	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Opening balance	585.74	522.45	462.23	462.23	462.23
Shares issued during the year by exercise of Employee Stock Option Plan	5.37	1.41	5.68	-	-
Shares issued during the year by exercise of Warrants	49.30	61.88	54.54	-	-
Closing Balance	**640.41**	**585.74**	**522.45**	**462.23**	**462.23**

(iv) Shares held by Shareholders each holding more than 5% shares:

Name of Shareholder	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Equity Shares of Rs. 2 each fully paid up					
Promoters and Promoter Group					
Sameer Gehlaut					
No. of shares held	40,158,292	40,158,292	34,171,089	34,171,089	34,171,089
% of holding	12.54%	13.71%	13.08%	14.78%	14.78%
Orthia Properties Private Limited					
No. of shares held	39,981,305	39,981,305	39,058,962	23,400,000	21,407,000
% of holding	12.49%	13.65%	14.95%	10.12%	9.26%
Orthia Constructions Private Limited					
No. of shares held	24,401,671	11,701,671	-	-	-
% of holding	7.62%	4.00%	-	-	-
Zelkova Builders Private Limited					
No. of shares held	18,557,534	6,607,534	-	-	-
% of holding	5.80%	2.26%	-	-	-
Public					
Rajiv Rattan *					
No. of shares held	-	19,208,148	17,330,253	17,330,253	17,330,253
% of holding	-	6.56%	6.63%	7.50%	7.50%
Saurabh Mittal *					
No. of shares held	-	-	17,212,083	17,212,083	17,212,083
% of holding	-	-	6.59%	7.45%	7.45%
Tupelo Consultancy LLP					
No. of shares held	25,115,371	-	-	-	-
% of holding	7.84%	-	-	-	-

* Consequent to the de-classification of the Promoters / Promoter Group Entities / Persons Acting in Concert with the Promoters (PACs) of the Company, intimated by the Company to the Exchanges on July 18, 2014, Mr. Rajiv Rattan, Priapus Land Development Private Limited, Inuus Constructions Private Limited, Mr. Saurabh K Mittal, Hespera Land Development Private Limited and Hespera Constructions Private Limited have ceased to be the Promoters / Promoter Group Entities / PACs of the Company, with effect from July 18, 2014 and their names shall not be included, as such, in any future correspondences / filings by the Company with the Stock Exchanges / other statutory authorities.

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

(v) Shares reserved for issuance towards outstanding employee stock options granted and share warrants:

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Employee stock options (No. of Shares) (Equity shares of Rs. 2 each) (Refer note - 33)	20,829,316	15,384,894	6,713,404	10,435,525	11,465,083
Share warrants (No. of Shares) (Equity shares of Rs. 2 each) (Refer note - 5(i))	33,650,000	-	30,940,001	58,210,000	-

INDIABULLS VENTURES LIMITED

NOTE - 4 : SUMMARY STATEMENT OF RESTATED STANDALONE RESERVES AND SURPLUS

(Rs. In Millions)

		As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Capital Redemption Reserve						
Balance as per last Balance Sheet		360.04	360.04	360.04	360.04	360.04
Add: Addition during the year		-	-	-	-	-
Closing balance		360.04	360.04	360.04	360.04	360.04
Securities Premium Account						
Balance as per last Balance Sheet		712.98	361.76	18.05	18.05	18.05
Add: Premium on shares issued during the year		478.92	351.22	343.71	-	-
Closing balance		1,191.90	712.98	361.76	18.05	18.05
Foreign Currency Monetary Item Translation Difference Account (i)						
Opening balance		13.56	12.90	11.71	7.29	3.14
(Less) / Add: Effect of foreign exchange rate variation during the year		(1.81)	4.74	3.22	7.38	5.13
Less: Amortised during the year		3.81	3.19	2.03	1.74	0.98
Less: Utilised during the year		-	0.89	-	1.22	-
Closing balance		7.94	13.56	12.90	11.71	7.29
General Reserve						
Balance as per last Balance Sheet		338.18	338.18	338.18	154.54	98.70
Add: Transfer from the Statement of Profit and Loss		-	-	-	183.64	55.84
Closing balance		338.18	338.18	338.18	338.18	154.54
Surplus in the Statement of Profit and Loss						
Opening balance		(1.99)	852.61	934.28	1,248.55	1,540.99
Add: Profit for the year		481.09	170.56	1,150.98	877.85	300.61
Amount available for appropriation	**(a)**	**479.10**	**1,023.17**	**2,085.26**	**2,126.40**	**1,841.60**
Less: Appropriations :						
Interim Dividend on Equity Shares (Refer Note - B 11 of Annexure -IV)		320.21	877.13	1,041.16	924.45	462.23
Corporate Dividend Tax on Interim Dividend on Equity Shares		15.27	148.03	112.96	84.03	74.98
Transfer to General Reserve		-	-	-	183.64	55.84
Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax of Rs. 41.56 millions for the F.Y. 2014-15)) (Refer Note - 14 SUMMARY STATEMENT OF RESTATED STANDALONE FIXED ASSETS and Note - 40)		-	-	78.53	-	-
Total Appropriations	**(b)**	**335.48**	**1,025.16**	**1,232.65**	**1,192.12**	**593.05**
Balance of Profit Carried Forward	**[(a)-(b)]**	**143.62**	**(1.99)**	**852.61**	**934.28**	**1,248.55**
		2,041.68	**1,422.77**	**1,925.49**	**1,662.26**	**1,788.47**

(i) Pursuant to the notification dated December 29, 2011 issued by the Ministry of Corporate Affairs amending Accounting Standard 11 - 'Accounting for the Effects of Changes in Foreign Exchange Rates' the Company has exercised the option as per Paragraph 46A inserted in the said Accounting Standard for amortisation of foreign exchange gain/loss on long-term monetary items over the remaining life of the concerned monetary items. Consequently, an amount of Rs. 7.93 millions (F.Y. 2015-16 Rs. 13.55 millions, F.Y. 2014-15 Rs. 12.90 millions, F.Y. 2013-14 Rs. 11.71 millions, F.Y. 2012-13 Rs. 7.30 millions) is carried forward in the Foreign Exchange Monetary Item Translation Difference Account as on March 31, 2017, net of forex gain amounting to Rs. 3.81 millions (F.Y. 2015-16 Rs. 3.19 millions, F.Y. 2014-15 Rs. 2.03 millions, F.Y. 2013-14 Rs. 1.74 millions, F.Y. 2012-13 Rs. 0.98 millions) amortised in the Statement of Profit and Loss and Rs. Nil (F.Y. 2015-16- Rs. 0.89 millions, F.Y. 2014-15 Rs. Nil , F.Y. 2013-14 Rs. 1.22 millions, F.Y. 2012-13 - Nil) utilised towards the partial amount received from the Escrow Account.

NOTE - 5 : SUMMARY STATEMENT OF RESTATED STANDALONE MONEY RECEIVED AGAINST SHARE WARRANTS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Money received against Share Warrants (i) & (ii)	**166.15**	**-**	**100.56**	**189.18**	**-**

(i) The Board of Directors of the Company at their meeting held on June 15, 2016 and as approved at its Extra-Ordinary General Meeting held on July 15, 2016 have resolved to create, offer, issue and allot up to 58.30 millions warrants, convertible into 58.30 millions equity shares of Rs. 2/- each on a preferential allotment basis, pursuant to Section 42 and 62 of the Companies Act, 2013, at a conversion price of Rs. 19.75 per equity share of the Company, arrived at in accordance with the SEBI Guidelines in this regard and subsequently these warrants were allotted on August 10, 2016 to the certain promoter entities and to an executive director ("the warrant holders") and 25% application money amounting to Rs. 287.86 millions was received from them. The warrants were to be converted into equivalent number of equity shares on payment of the balance amount at any time on or before February 9, 2018. In the event the warrants are not converted into equity shares within the said period, the Company is eligible to forfeit the amounts received towards the warrants. During the year ended March 31, 2017, the Company has allotted 24.65 millions Equity Shares on March 7, 2017 on conversion of equivalent numbers of warrants to certain promoter group entities on realisation of balance 75% towards these warrants. Subsequent to the year ended March 31, 2017 the Company has allotted 33.65 millions Equity Shares on April 10, 2017 on conversion of equivalent numbers of warrants to the warrant holders on realisation of balance 75% towards these warrants.

(ii) The Board of Directors of the Company at their meeting held on October 21, 2013 and as approved at its Extra-Ordinary General Meeting held on November 20, 2013 have resolved to create, offer, issue and allot up to 58.21 millions warrants, convertible into 58.21 millions equity shares of Rs. 2/- each on a preferential allotment basis, pursuant to Section 81(1A) of the Companies Act, 1956, at a conversion price of Rs. 13/- per equity share of the Company, arrived at in accordance with the SEBI Guidelines in this regard and subsequently these warrants were allotted on December 2, 2013 to the promoter, certain promoter entities, persons other than promoter and promoter group entity (erstwhile promoters and promoter group entities upto July 17, 2014) and to an executive director ("the warrant holders") and 25% application money amounting to Rs. 189.18 millions was received from them. The warrants were to be converted into equivalent number of equity shares on payment of the balance amount at any time on or before June 1, 2015. In the event the warrants are not converted into equity shares within the said period, the Company is eligible to forfeit the amounts received towards the warrants. During the year ended March 31, 2015, the Company has allotted 27.27 millions Equity Shares on conversion of equivalent numbers of warrants to certain promoter group entities and an executive director on realisation of balance 75% towards these warrants. During the year ended March 31, 2016 the Company has allotted 20.11 millions Equity Shares on April 07, 2015 and 10.83 millions Equity Shares on April 10, 2015 on conversion of equivalent numbers of warrants to the warrant holders on realisation of balance 75% towards these warrants.

NOTE - 6 : SUMMARY STATEMENT OF RESTATED STANDALONE SHARE APPLICATION MONEY PENDING ALLOTMENT

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Share application money pending allotment [(i) & (ii)]	8.62	-	10.95	-	-
	8.62	**-**	**10.95**	**-**	**-**

(i) As at March 31, 2017, the Company had received an amount of Rs. 8.62 millions towards share application money for 250,000 Equity Shares of the Company at a premium of Rs 29.35 per share under "Indiabulls Ventures Limited Employees Stock Option Scheme - 2009" ("IBVL ESOP - 2009") and for 45,100 Equity Shares of the Company at a premium of Rs. 15.40 per share under "Indiabulls Ventures Limited Employees Stock Option Scheme - 2008" ("IBVL ESOP - 2008"). The Company has sufficient authorised share capital to cover the allotment of these shares.

(ii) As at March 31, 2015, the Company had received an amount of Rs. 10.95 millions towards share application money towards 0.63 millions Equity Shares of the Company at a premium of Rs 15.40. The share application money was received pursuant to "Indiabulls Securities Limited Employees Stock Option Scheme - 2008" ("IBSL ESOP - 2008") (now title changed to "Indiabulls Ventures Limited Employees Stock Option Scheme - 2008" ("IBVL ESOP - 2008")). The Company had sufficient authorised capital to cover the allotment of these shares. Out of 0.63 millions Equity Shares applied, the Company had issued and allotted 0.55 millions Equity Share and refunded the application money amounting to Rs. 1.28 millions against balance 0.74 millions Equity Shares.

NOTE - 7 : SUMMARY STATEMENT OF RESTATED STANDALONE LONG-TERM BORROWINGS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Term Loans					
Secured					
From Banks[(i)]	-	-	0.11	0.94	2.24
	-	**-**	**0.11**	**0.94**	**2.24**

(i) Term loans are secured against hypothecation of the vehicles purchased. The rate of interest of such term loans ranges between 9% p.a. to 12% p.a. The term loans are repayable in equated monthly installments ranging for a period of 3 to 5 years.

Note - 8 : SUMMARY STATEMENT OF RESTATED STANDALONE OTHER LONG-TERM LIABILITIES

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Other Liabilities - Amount received from Depository for GDR	-	99.79	99.79	99.79	99.79
	-	**99.79**	**99.79**	**99.79**	**99.79**

Note - 9 : SUMMARY STATEMENT OF RESTATED STANDALONE LONG-TERM PROVISIONS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Provision for Employee Benefits					
Provision for Gratuity (Refer note - 36)	29.18	23.25	19.73	16.75	32.41
Provision for Compensated Absences (Refer note - 36)	8.12	5.87	5.63	5.22	9.14
	37.30	**29.12**	**25.36**	**21.97**	**41.55**

Note - 10 : SUMMARY STATEMENT OF RESTATED STANDALONE SHORT-TERM BORROWINGS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Secured loans					
From Banks[(i)]					
Bank Overdraft	408.27	403.88	130.00	-	858.95
Working capital loan	650.00	500.00	500.00	-	-
Unsecured loans					
From Others					
Commercial papers (Unsecured loans)	5,000.00	5,000.00	3,500.00	2,000.00	500.00
Maximum balance outstanding during the year Rs. 5,000.00 millions (FY 2015-16 Rs. 5,000.00 millions; FY 2014-15 Rs. 3,000.00 millions; FY 2013-14 Rs. 2,000.00 millions; FY 2012-13 Rs. 500.00 millions)					
	6,058.27	**5,903.88**	**4,130.00**	**2,000.00**	**1,358.95**

(i) Bank overdraft amounting to Rs. Nil (F.Y.2015-16 Rs. 19.86 millions, F.Y.2014-15 Rs. 130.00 millions, F.Y.2013-14 Rs. Nil, F.Y.2014-15 Rs.66.13 millions) is secured against book debts and amounting to Rs. 408.27 millions (F.Y.2015-16 Rs. 384.02 millions, F.Y.2014-15 Rs. Nil, F.Y.2013-14 Rs. Nil, F.Y.2012-13 Rs. 79.28 millions) is secured against fixed deposits. Working capital loans are secured against book debts and loans and advances.

Note - 11 : SUMMARY STATEMENT OF RESTATED STANDALONE TRADE PAYABLES

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
(a) Total outstanding due to micro enterprises and small enterprises(i)	-	-	-	-	-
(b) Total outstanding due to creditors other than micro enterprises and small enterprises	7.37	4.60	3.43	3.78	13.25
	7.37	**4.60**	**3.43**	**3.78**	**13.25**

(i) Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
(a) An amount due and outstanding to suppliers as at the end of the accounting year on account of principal and interest.	-	-	-	-	-
(b) An amount due and outstanding to suppliers as at the end of the accounting year on account of interest.	-	-	-	-	-
(b) Interest paid during the year in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006; no amount was paid to the supplier beyond the appointed date.	-	-	-	-	-
(c) Interest payable at the end of the year other than interest under Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-	-
(d) Amount of interest accrued and unpaid at the end of the accounting year.	-	-	-	-	-
(e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-	-

The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of the information available with the Company. This has been relied upon by the Auditors.

Note - 12 : SUMMARY STATEMENT OF RESTATED STANDALONE OTHER CURRENT LIABILITIES

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Current maturity of long-term loans	-	0.11	0.74	1.30	1.29
Interest accrued but not due on loans	1.00	2.21	3.04	-	-
Brokerage / Depository income received in advance	7.40	4.32	3.76	6.60	4.75
Unclaimed dividends(i)	346.62	28.67	29.16	22.28	16.71
Margin from customers	1,246.98	560.97	587.68	658.20	653.16
Temporary overdrawn bank balances as per books	11.54	3.91	6.60	5.70	18.80
Amount received from Depository for GDR	99.79	-	-	-	-
Others - Current liabilities for expense provisions and Statutory dues	63.02	142.24	164.22	172.72	324.13
	1,776.35	**742.43**	**795.20**	**866.80**	**1,018.84**

(i) In respect of amounts mentioned under Section 125 of the Companies Act, 2013, the Company has credited Rs. 1.96 millions (F.Y.2015-16 Rs. 3.82 millions, F.Y.2014-15 Rs. Nil, F.Y.2013-14 Rs. Nil, F.Y.2012-13 Rs. Nil) to the Investor Education and Protection Fund. Further, no dues were required to be credited to the Investor Education and Protection Fund as at March 31, 2017.

Note - 13 : SUMMARY STATEMENT OF RESTATED STANDALONE SHORT-TERM PROVISIONS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Provision for Employee Benefits					
Provision for Gratuity (Refer note - 36)	0.79	0.82	0.73	0.66	2.61
Provision for Compensated Absences (Refer note - 36)	0.20	0.18	0.17	0.16	1.35
Other Provisions					
Provision for Taxation (net of advance tax / tax deducted at source)	67.77	29.45	22.13	54.05	34.07
	68.76	**30.45**	**23.03**	**54.87**	**38.03**

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)

Notes forming part of the restated standalone financial statements

Note - 14 SUMMARY STATEMENT OF RESTATED STANDALONE FIXED ASSETS

(Rs. In Millions)

Particulars	GROSS BLOCK AT COST				DEPRECIATION / AMORTISATION					NET BLOCK	
	As at April 01, 2016	Additions during the year	Adjustments/ sales during the year	As at March 31, 2017	As at April 01, 2016	Transition Adjustment recorded against surplus balance in the Statement of Profit and Loss	Provided during the year	Adjustments/ sales during the year	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
A. Tangible Assets											
Furniture and Fixtures	16.69	-	0.83	15.86	15.12	-	0.38	0.83	14.67	1.19	1.57
Vehicles*	41.27	-	7.26	34.01	38.40	-	1.09	7.01	32.48	1.53	2.87
Office equipment	134.07	0.68	6.51	128.24	131.23	-	2.17	6.50	126.90	1.34	2.84
Computers	367.76	-	10.65	357.11	363.83	-	1.83	10.65	355.01	2.10	3.93
Leasehold improvements	105.21	0.50	20.05	85.66	75.74	-	9.03	20.03	64.74	20.92	29.47
Total (a)	**665.00**	**1.18**	**45.30**	**620.88**	**624.32**	**-**	**14.50**	**45.02**	**593.80**	**27.08**	**40.68**
B. Intangible Assets											
Membership rights of BSE Limited	7.01	-	-	7.01	7.01	-	-	-	7.01	-	-
Software	597.15	4.73	-	601.88	592.81	-	1.72	-	594.53	7.35	4.34
Indiabulls.com website	5.26	-	-	5.26	5.26	-	-	-	5.26	-	-
Total (b)	**609.42**	**4.73**	**-**	**614.15**	**605.08**	**-**	**1.72**	**-**	**606.80**	**7.35**	**4.34**
C. Intangible asset under Development										**0.37**	
Current year total ((a)+(b)+(c))	**1,274.42**	**5.91**	**45.30**	**1,235.03**	**1,229.40**	**-**	**16.22**	**45.02**	**1,200.60**	**34.80**	**45.02**

* Includes vehicles having carrying cost of Rs. Nil (Previous year Rs. 0.30 millions) which are hypothecated to banks against the respective loans.

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)
Notes forming part of the restated standalone financial statements

Note - 14 SUMMARY STATEMENT OF RESTATED STANDALONE FIXED ASSETS

(Rs. In Millions)

Particulars	GROSS BLOCK AT COST				DEPRECIATION / AMORTISATION					NET BLOCK	
	As at April 01, 2015	Additions during the year	Adjustments/ sales during the year	As at March 31, 2016	As at April 01, 2015	Transition Adjustment recorded against surplus balance in the Statement of Profit and Loss	Provided during the year	Adjustments/ sales during the year	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
A. Tangible Assets											
Furniture and Fixtures	17.34	-	0.65	16.69	15.22	-	0.55	0.65	15.12	1.57	2.12
Vehicles*	52.49	-	11.22	41.27	45.96	-	3.02	10.58	38.40	2.87	6.53
Office equipment	134.52	0.17	0.62	134.07	127.77	-	4.06	0.60	131.23	2.84	6.75
Computers	392.18	0.08	24.50	367.76	384.10	-	4.22	24.49	363.83	3.93	8.08
Leasehold improvements	106.23	-	1.02	105.21	64.82	-	11.84	0.92	75.74	29.47	41.41
Total (a)	**702.76**	**0.25**	**38.01**	**665.00**	**637.87**	**-**	**23.69**	**37.24**	**624.32**	**40.68**	**64.89**
B. Intangible Assets											
Membership rights of BSE Limited	7.01	-	-	7.01	7.01	-	-	-	7.01	-	-
Software	592.31	4.84	-	597.15	590.84	-	1.97	-	592.81	4.34	1.47
Indiabulls.com website	5.26	-	-	5.26	5.26	-	-	-	5.26	-	-
Total (b)	**604.58**	**4.84**	**-**	**609.42**	**603.11**	**-**	**1.97**	**-**	**605.08**	**4.34**	**1.47**
C. Intangible asset under Development										**-**	
Current year total ((a)+(b)+(c))	**1,307.34**	**5.09**	**38.01**	**1,274.42**	**1,240.98**	**-**	**25.66**	**37.24**	**1,229.40**	**45.02**	**66.36**

* Includes vehicles having carrying cost of Rs. 0.30 millions (Previous year Rs. 3.42 millions) which are hypothecated to banks against the respective loans.

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)
Notes forming part of the restated standalone financial statements

Note - 14 SUMMARY STATEMENT OF RESTATED STANDALONE FIXED ASSETS

(Rs. In Millions)

Particulars	GROSS BLOCK AT COST				DEPRECIATION / AMORTISATION					NET BLOCK	
	As at April 01, 2014	Additions during the year	Adjustments/ sales during the year	As at March 31, 2015	As at April 01, 2014	Transition Adjustment recorded against surplus balance in the Statement of Profit and Loss	Provided during the year	Adjustments/ sales during the year	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
A. Tangible Assets											
Furniture and Fixtures	21.07	-	3.73	17.34	17.34	0.29	1.16	3.57	15.22	2.12	3.73
Vehicles*	57.05	-	4.56	52.49	36.97	2.13	10.94	4.08	45.96	6.53	20.08
Office equipment	192.32	-	57.80	134.52	71.36	103.64	10.50	57.73	127.77	6.75	120.96
Computers	424.50	0.20	32.52	392.18	398.18	11.40	7.04	32.52	384.10	8.08	26.32
Leasehold improvements	106.32	-	0.09	106.23	45.22	2.63	17.03	0.06	64.82	41.41	61.10
Total (a)	**801.26**	**0.20**	**98.70**	**702.76**	**569.07**	**120.09**	**46.67**	**97.96**	**637.87**	**64.89**	**232.19**
B. Intangible Assets											
Membership rights of BSE Limited	7.01	-	-	7.01	7.01	-	-	-	7.01	-	-
Software	592.31	-	-	592.31	589.46	-	1.38	-	590.84	1.47	2.85
Indiabulls.com website	5.26	-	-	5.26	5.26	-	-	-	5.26	-	-
Total (b)	**604.58**	**-**	**-**	**604.58**	**601.73**	**-**	**1.38**	**-**	**603.11**	**1.47**	**2.85**
C. Intangible asset under Development											
Current year total ((a)+(b)+(c))	**1,405.84**	**0.20**	**98.70**	**1,307.34**	**1,170.80**	**120.09**	**48.05**	**97.96**	**1,240.98**	**66.36**	**235.04**

* Includes vehicles having carrying cost of Rs. 3.42 millions (Previous year Rs. 4.65 millions) which are hypothecated to banks against the respective loans.

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)
Notes forming part of the restated standalone financial statements

Note - 14 SUMMARY STATEMENT OF RESTATED STANDALONE FIXED ASSETS

(Rs. In Millions)

	GROSS BLOCK AT COST				DEPRECIATION / AMORTISATION					NET BLOCK	
Particulars	As at April 01, 2013	Additions during the year	Adjustments/ sales during the year	As at March 31, 2014	As at April 01, 2013	Transition Adjustment recorded against surplus balance in the Statement of Profit and Loss	Provided during the year	Adjustments/ sales during the year	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
A. Tangible Assets											
Furniture and Fixtures	22.86	0.04	1.83	21.07	18.34	-	0.47	1.47	17.34	3.73	4.52
Vehicles*	75.96	-	18.91	57.05	43.02	-	6.49	12.54	36.97	20.08	32.94
Office equipment	221.30	1.41	30.39	192.32	73.16	-	10.00	11.80	71.36	120.96	148.14
Computers	435.52	6.70	17.72	424.50	395.63	-	20.13	17.58	398.18	26.32	39.89
Leasehold improvements	117.30	1.68	12.66	106.32	45.38	-	7.68	7.84	45.22	61.10	71.92
Total (a)	**872.94**	**9.83**	**81.51**	**801.26**	**575.53**	**-**	**44.77**	**51.23**	**569.07**	**232.19**	**297.41**
B. Intangible Assets											
Membership rights of BSE Limited	7.01	-	-	7.01	7.01	-	-	-	7.01	-	-
Software	591.59	0.72	-	592.31	587.81	-	1.65	-	589.46	2.85	3.78
Indiabulls.com website	5.26	-	-	5.26	5.26	-	-	-	5.26	-	-
Total (b)	**603.86**	**0.72**	**-**	**604.58**	**600.08**	**-**	**1.65**	**-**	**601.73**	**2.85**	**3.78**
C. Intangible asset under Development											
Current year total ((a)+(b)+(c))	**1,476.80**	**10.55**	**81.51**	**1,405.84**	**1,175.61**	**-**	**46.42**	**51.23**	**1,170.80**	**235.04**	**301.19**

* Includes vehicles having carrying cost of Rs. 4.65 millions (Previous year Rs. 6.00 millions) which are hypothecated to banks against the respective loans.

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)
Notes forming part of the restated standalone financial statements

Note - 14 SUMMARY STATEMENT OF RESTATED STANDALONE FIXED ASSETS

(Rs. In Millions)

Particulars	GROSS BLOCK AT COST				DEPRECIATION / AMORTISATION					NET BLOCK	
	As at April 01, 2012	Additions during the year	Adjustments/ sales during the year	As at March 31, 2013	As at April 01, 2012	Transition Adjustment recorded against surplus balance in the Statement of Profit and Loss	Provided during the year	Adjustments/ sales during the year	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012
A. Tangible Assets											
Furniture and Fixtures	22.95	0.96	1.05	22.86	18.58	-	0.68	0.92	18.34	4.52	4.37
Vehicles*	87.04	-	11.08	75.96	41.68	-	7.70	6.36	43.02	32.94	45.36
Office equipment	224.16	1.96	4.82	221.30	64.24	-	10.44	1.52	73.16	148.14	159.92
Computers	436.04	3.10	3.62	435.52	361.87	-	37.28	3.52	395.63	39.89	74.17
Leasehold improvements	124.97	0.10	7.77	117.30	40.26	-	8.08	2.96	45.38	71.92	84.71
Total (a)	**895.16**	**6.12**	**28.34**	**872.94**	**526.63**	**-**	**64.18**	**15.28**	**575.53**	**297.41**	**368.53**
B. Intangible Assets											
Membership rights of BSE Limited	7.01	-	-	7.01	7.01	-	-	-	7.01	-	-
Software	589.56	2.03	-	591.59	575.51	-	12.30	-	587.81	3.78	14.05
Indiabulls.com website	5.26	-	-	5.26	5.26	-	-	-	5.26	-	-
Total (b)	**601.83**	**2.03**	**-**	**603.86**	**587.78**	**-**	**12.30**	**-**	**600.08**	**3.78**	**14.05**
C. Intangible asset under Development										**-**	
Current year total ((a)+(b)+(c))	**1,496.99**	**8.15**	**28.34**	**1,476.80**	**1,114.41**	**-**	**76.48**	**15.28**	**1,175.61**	**301.19**	**382.58**

* Includes vehicles having original cost of Rs. 6.00 millions (Previous year Rs. 10.25 millions) which are hypothecated to banks against the respective loans.

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)

Note - 15 : SUMMARY STATEMENT OF RESTATED STANDALONE NON-CURRENT INVESTMENTS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Long-term - Trade - Quoted (at cost unless otherwise stated)					
Investments in Equity Instruments					
65,000 Fully paid up Equity Shares of face value of Rs. 2 each in BSE Limited	0.01	-	-	-	-
Total (A)	**0.01**	**-**	**-**	**-**	**-**
Long-term - Trade - Unquoted (at cost unless otherwise stated)					
Investments in Equity Instruments					
Nil (F.Y.2015-16 130,000; F.Y.2014-15 130,000; F.Y.2013-14 130,000; F.Y.2012-13 130,000) fully paid up Equity Shares of face value of Re. 1 each in BSE Limited	-	0.01	0.01	0.01	0.01
Total (B)	**-**	**0.01**	**0.01**	**0.01**	**0.01**
Long- term - Others - Unquoted (at cost unless otherwise stated)					
Investments in Equity Instruments					
(i) In wholly owned subsidiary companies					
600,000 (F.Y.2015-16 600,000; F.Y.2014-15 600,000; F.Y.2013-14 600,000; F.Y.2012-13 600,000) Fully paid up Equity Shares of face value Rs.10 each in Indiabulls Commodities Limited	6.00	6.00	6.00	6.00	6.00
5,500,000 (F.Y.2015-16 5,500,000; F.Y.2014-15 5,500,000; F.Y.2013-14 5,500,000; F.Y.2012-13 5,500,000) Fully paid up Equity Shares of face value Rs.10 each in Indiabulls Brokerage Limited	55.00	55.00	55.00	55.00	55.00
50,000 (F.Y.2015-16 50,000; F.Y.2014-15 50,000; F.Y.2013-14 50,000; F.Y.2012-13 50,000) Fully paid up Equity Shares of face value Rs.10 each in Indiabulls Distribution Services Limited	0.50	0.50	0.50	0.50	0.50
Nil (F.Y.2015-16 Nil; F.Y.2014-15 Nil; F.Y.2013-14 50,000; F.Y.2012-13 50,000) Fully paid up Equity Shares of face value Rs.10 each in Auxesia Soft Solutions Limited (i)	-	-	-	0.50	0.50
50,000 (F.Y.2015-16 NA; F.Y.2014-15 NA; F.Y.2013-14 NA; F.Y.2012-13 NA) Fully paid up Equity Shares of face value Rs.10 each in Indiabulls Consumer Products Limited (ii)	0.50	-	-	-	-
50,000,000 (F.Y.2015-16 NA; F.Y.2014-15 NA; F.Y.2013-14 NA; F.Y.2012-13 NA) Fully paid up Equity Shares of face value Rs.10 each in Indiabulls Asset Reconstruction Company Limited (iii)	500.00	-	-	-	-
50,000 (F.Y.2015-16 NA; F.Y.2014-15 NA; F.Y.2013-14 NA; F.Y.2012-13 NA) Fully paid up Equity Shares of face value Rs.10 each in Indiabulls Logistics Limited (iv)	0.50	-	-	-	-
300,000 (F.Y.2015-16 NA; F.Y.2014-15 NA; F.Y.2013-14 NA; F.Y.2012-13 NA) Fully paid up Equity Shares of face value Rs.10 each in Indiabulls Infra Resources Limited (v)	30.00	-	-	-	-
50,000 (F.Y.2015-16 50,000; F.Y.2014-15 50,000; F.Y.2013-14 50,000; F.Y.2012-13 50,000) Fully paid up Equity Shares of face value Rs.10 each in Devata Tradelink Limited	0.50	0.50	0.50	0.50	0.50
Less: Provision for diminution in the value of investment	0.50	0.50	0.50	0.50	0.50
	-	-	-	-	-
Total (C)	**592.50**	**61.50**	**61.50**	**62.00**	**62.00**
(ii) Other Long-Term Investments					
Nil (FY 2013-14 & 2012-13 288,722) fully paid-up Ordinary Shares of face value of £ 0.001 in Copal Partners Limited (vi)	-	-	-	125.33	125.33
Total (D)	**-**	**-**	**-**	**125.33**	**125.33**
Total (A)+(B)+(C)+(D)	**592.51**	**61.51**	**61.51**	**187.34**	**187.34**
Aggregate market value of quoted investments	63.55	-	-	-	-
Aggregate book value of quoted investments	0.01	-	-	-	-
Aggregate book value of unquoted investments	593.00	62.01	62.01	187.84	187.84
Aggregate provision for diminution in value of investments	0.50	0.50	0.50	0.50	0.50
	-	-	-	-	-

(i) During the year ended March 31, 2015, the Company had sold wholly owned subsidiary Auxesia Soft Solutions Limited for Rs. 0.50 millions to Indiabulls Distribution Services Limited, a wholly owned subsidiary of the Company.

(ii) The Company has invested Rs. 0.5 million in the equity share capital of Indiabulls Consumer Products Limited, a wholly owned subsidiary, incorporated on July 5, 2016.

(iii) During the year ended March 31, 2017, the Company has acquired 100% equity share capital of Indiabulls Asset Reconstruction Company Limited for Rs. 51.00 millions. The Company has further invested Rs. 449.00 millions in the equity share capital of Indiabulls Asset Reconstruction Company Limited.

(iv) The Company has invested Rs. 0.5 millions in the equity share capital of Indiabulls Logistics Limited, a wholly owned subsidiary, incorporated on January 19, 2017.

(v) The Company has invested Rs. 30.00 millions in the equity share capital of Indiabulls Infra Resources Limited, a wholly owned subsidiary, incorporated on February 1, 2017.

(vi) During the year ended March 31, 2012, Copal Partners Limited had bought back 223,222 shares held by the Company vide the Purchase and Cancellation Agreement for the consideration of Rs. 86.23 millions. Further, the Company had sold 586,193 shares held by it in Copal Partners Limited to Moody's Group UK LTD for the consideration of Rs. 231.99 millions vide the Share Purchase Deed and received Rs. 1.30 million and Rs. 6.69 million in FY 2012-13 and 2013-14 respectively, as an additional consideration. As a result thereof, the stake of the Company in Copal Partner Limited had reduced from 4.74% to 1.63%. The proportionate cost of the shares bought back and sold aggregated to Rs. 351.36 Millions. Out of the total consideration of Rs. 231.99 Millions receivable from Moody's Group UK LTD, the Company had received partial amount of Rs. Nil (FY 2015-16 Rs. 5.41 millions; FY 2014-15 Rs. Nil; FY 2013-14 Rs. 16.05 millions; FY 2012-13 Rs. Nil) towards Escrow Account. As on March 31, 2017 Rs. 59.37 millions (excluding foreign exchange gain of Rs. 19.06 millions); [PY March 31, 2016 Rs. 59.37 millions (excluding foreign exchange gain of Rs. 20.86 millions); March 31, 2015 Rs. 63.41 millions (excluding foreign exchange gain of Rs. 17.45 millions); March 31, 2014 Rs. 63.41 millions (excluding foreign exchange gain of Rs. 14.23 millions) and March 31, 2013 Rs. 77.95 millions (excluding foreign exchange gain of Rs. 8.43 millions)] is receivable in the form of Escrow account and Loan Notesof the Moody's Group UK LTD.

During the year ended March 31, 2015, the Company had sold balance 288,722 Ordinary Shares on exercise of call option by the Moody's Group UK LTD for a cash consideration of Rs. 594.99 Millions. As a result thereof, the stake of the Company in Copal Partners Limited stand to Nil from 1.63% earlier.

Note - 16 : SUMMARY STATEMENT OF RESTATED STANDALONE DEFERRED TAX ASSETS (NET)

In compliance with Accounting Standard 22 - 'Accounting for Taxes on Income', deferred tax (net) of Rs. 1.99 millions (F.Y. 2015-16 Rs. 0.09 millions; F.Y. 2014-15 Rs. 2.52 millions; F.Y. 2013-14 Rs. 23.45 millions; F.Y. 2012-13 Rs. 12.80 millions)has been debited to the Statement of Profit and Loss for the year ended March 31, 2017. The breakup of deferred tax into major components is as under:

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Deferred tax assets:					
Provision for doubtful debts, advances and security deposits	19.40	17.01	16.91	22.02	38.27
Disallowances u/s. 43B of the Income-Tax Act, 1961	2.88	2.10	2.01	1.83	3.57
Disallowances u/s. 40A(7) of the Income-Tax Act, 1961	10.37	8.33	7.08	5.92	11.90
Difference between tax balance and book balance of fixed assets	47.93	51.03	52.34	5.87	-
Others	0.81	4.92	5.14	8.81	17.00
(a)	**81.39**	**83.39**	**83.48**	**44.45**	**70.74**
Deferred tax liability:					
Difference between book balance and tax balance of fixed assets	-	-	-	-	2.85
Others	-	-	-	-	-
(b)	-	-	-	-	2.85
Deferred tax assets (net) (a) - (b)	**81.39**	**83.39**	**83.48**	**44.45**	**67.89**

Note - 17 : SUMMARY STATEMENT OF RESTATED STANDALONE LONG-TERM LOANS AND ADVANCES
UNSECURED

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
(a) Capital advances,					
Considered Good	10.41	0.50	0.48	100.00	102.52
(b) Security deposits					
(i) Deposits (including margin money) with stock exchanges, (considered good)	25.45	25.95	32.16	32.46	41.88
(ii) Deposits with others					
Considered good	51.01	51.50	2.17	53.72	75.59
Considered doubtful	0.43	4.57	4.57	20.44	16.90
	51.44	56.07	6.74	74.16	92.49
Less: Provision for doubtful deposits	0.43	4.57	4.57	20.44	16.90
	51.01	51.50	2.17	53.72	75.59
(c) Loans and advances to related parties - (considered good)					
Devata Tradelink Limited	-	-	113.03	108.75	300.00
(d) Loan Notes, Escrow Receivable account and others (Refer Note 15 (vi))					
Considered good	85.95	87.62	85.68	81.79	91.65
Considered doubtful	0.40	1.52	1.22	1.27	2.68
	86.35	89.14	86.90	83.06	94.33
Less: Provision for doubtful advances	0.40	1.52	1.22	1.27	2.68
	85.95	87.62	85.68	81.79	91.65
	172.82	**165.57**	**233.52**	**376.72**	**611.64**

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)

Note - 18 : SUMMARY STATEMENT OF RESTATED STANDALONE OTHER NON-CURRENT ASSETS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
In fixed deposit accounts with Banks (Refer note - 20 : summary statement of restated standalone cash and cash equivalents(i))	4.36	14.08	11.18	15.35	4.84

Note - 19 : SUMMARY STATEMENT OF RESTATED STANDALONE TRADE RECEIVABLES
UNSECURED

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Outstanding for a period exceeding six months					
Considered good	188.30	187.25	169.16	127.17	84.87
Considered doubtful	55.24	37.97	37.96	21.65	19.81
	243.54	225.22	207.12	148.82	104.68
Less: Provision for doubtful debts	55.24	37.97	37.96	21.65	19.81
	188.30	187.25	169.16	127.17	84.87
Others					
Considered good	230.69	125.86	168.60	63.26	117.27
Considered doubtful	-	-	-	-	-
	230.69	125.86	168.60	63.26	117.27
	418.99	**313.11**	**337.76**	**190.43**	**202.14**

Note - 20 : SUMMARY STATEMENT OF RESTATED STANDALONE CASH AND CASH EQUIVALENTS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Cash on hand	0.04	0.02	0.02	0.03	0.05
Balance with banks					
- in current accounts	332.22	227.98	252.62	762.96	454.57
- in fixed deposits with original maturity of less than three months (i)	6,500.00	6,500.00	4,980.00	792.50	-
	6,832.22	6,727.98	5,232.62	1,555.46	454.57
Other bank balances					
Deposit accounts					
- in fixed deposit accounts having original maturity of more than twelve months (i) & (ii)	766.83	968.45	751.51	1,151.01	1,298.20
- in fixed deposit accounts having original maturity upto twelve months (i)	603.80	78.80	300.00	175.00	375.00
In earmarked accounts					
- in unpaid dividend accounts	346.62	28.67	29.16	22.28	16.71
	1,717.25	1,075.92	1,080.67	1,348.29	1,689.91
	8,549.51	**7,803.92**	**6,313.31**	**2,903.78**	**2,144.53**

(i) Fixed deposits includes:

a. Rs. 918.75 (F.Y. 2015-16 Rs. 543.75 millions; F.Y. 2014-15 Rs. 594.05 millions; F.Y. 2013-14 Rs. 446.50 millions; F.Y. 2012-13 Rs. 747.30 millions) pledged with the banks against bank guarantees issued by banks for base capital and additional base capital to the National Stock Exchange of India, BSE Limited and the National Securities Clearing Corporation Limited.

b. Rs. 13.88 milliions (F.Y. 2015-16 Rs. 62.50 millions; F.Y. 2014-15 Rs. 12.50 millions; F.Y. 2013-14 Rs. 12.50 millions; F.Y. 2012-13 Rs. 47.40 millions) pledged with the National Stock Exchange of India, BSE Limited and National Securities Clearing Corporation Limited for the purpose of base capital and additional base capital.

c. Rs. 436.70 millions (F.Y. 2015-16 Rs. 444.70 millions; F.Y. 2014-15 Rs. Nil; F.Y. 2013-14 Rs. Nil; F.Y. 2012-13 Rs. 878.50 millions)) pledged with banks for overdraft facilities availed by the Company.

d. Rs. 6,500.00 millions (F.Y. 2015-16 Rs. 6,500.00 millions; F.Y. 2014-15 Rs. 5,424.70 millions; F.Y. 2013-14 Rs. 1,664.25 millions; F.Y. 2012-13 Rs. Nil) pledged with banks for overdraft facilities availed by the subsidiary companies (Indiabulls Distribution Services Limited and Indiabulls Commodities Limited) for general / corporate business purpose.

e. Rs. 4.34 millions (F.Y. 2015-16 Rs. 8.79 millions; F.Y. 2014-15 Rs. 11.15 millions; F.Y. 2013-14 Rs. 10.33 millions; F.Y. 2012-13 Rs. 4.55 millions)) pledged for arbitration matters.

f. Rs. 0.03 million (F.Y. 2015-16 Rs. 0.03 million; F.Y. 2014-15 Rs. 0.03 million; F.Y. 2013-14 Rs. 0.03 million; F.Y. 2012-13 Rs. 0.03 million) pledged with State Commission, New Delhi for appeal filed by the Company in a consumer dispute matter.

(ii) Balances with banks include deposit of Rs. Nil (F.Y. 2015-16 Rs. 5.26 millions; F.Y. 2014-15 Rs. 0.26 millions) with remaining maturity of more than twelve months from balance sheet date.

(iii) During the year ended March 31, 2012, pursuant to the Order of the Hon'ble Sole Arbitrator, the Company had sold shares held by one of its customers in its beneficiary depository account held with the Company. Further, the said Arbitrator had ordered the Company to deposit the money in an interest bearing account in its name specifying that the sum was deposited subject to further orders in the Arbitration. As on March 31,2013 the Company had thus invested such sums of money aggregating to Rs. 662.32 (Net) in various fixed deposits with a scheduled bank. As on March 31, 2013 the said fixed deposits were netted off against the dues payable to the customer. Further, in the year ended March 31, 2014, the Company had settled the same.

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)

Note - 21 : SUMMARY STATEMENT OF RESTATED STANDALONE SHORT-TERM LOANS AND ADVANCES

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
(a) Loans and advances to related parties (unsecured, considered good)					
Indiabulls Distribution Services Limited [i] (Maximum balance outstanding at any time during the year Rs. 7,202.20 millions; F.Y. 2015-16 Rs. 10,317.20 millions; F.Y. 2014-15 Rs. 6,052.90 millions; F.Y. 2013-14 Rs. 3,051.50 millions; F.Y. 2012-13 Rs. 2,013.00 millions))	455.60	246.20	195.35	1,108.00	1,175.50
(b) Margin funding loan receivables (secured, considered good)	26.64	12.29	19.23	39.56	47.82
Less: Margin received	4.04	3.38	3.80	31.65	24.04
	22.60	8.91	15.43	7.91	23.78
(c) Security deposits (unsecured, considered good)	0.25	0.12	52.36	17.68	6.64
(d) Deposits (including margin money) and Advances with stock exchanges, (unsecured, considered good)	399.76	-	40.00	-	-
(e) Prepaid Expenses, Cenvat Credit Receivable and Others (unsecured, considered good)	61.77	63.24	57.85	45.39	38.49
(f) Dividend receivable from subsidiary company (unsecured, considered good)	-	-	150.00	170.00	-
(f) Advance income tax/tax deducted at source (Net of provision for tax)	0.82	0.82	0.82	39.61	39.61
	940.80	**319.29**	**511.81**	**1,388.59**	**1,284.02**

(i) The company has given inter corporate deposit to Indiabulls Distribution Services Limited (a wholly owned subsidiary) for the general / corporate business purpose.

Note - 22 : SUMMARY STATEMENT OF RESTATED STANDALONE OTHER CURRENT ASSETS

(Rs. In Millions)

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Interest accrued on fixed deposits	9.73	12.89	17.44	20.12	19.76
Interest accrued on ICD	-	-	-	-	-
	9.73	**12.89**	**17.44**	**20.12**	**19.76**

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)

NOTE - 23 : SUMMARY STATEMENT OF RESTATED STANDALONE REVENUE FROM OPERATIONS

(Rs. In Millions)

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
(a) Sale of services (i)	737.45	622.36	676.80	570.65	852.25
(b) Other operating revenues (ii)	98.54	141.06	132.13	192.46	228.66
	835.99	**763.42**	**808.93**	**763.11**	**1,080.91**
(i) Sale of services includes :					
Brokerage Income	556.69	452.95	478.87	390.42	638.17
Interest on margin funding / delayed payments	65.22	56.25	61.52	35.98	62.32
Income from depository services	49.41	63.56	82.78	78.91	93.75
Other charges including transaction charges	32.36	26.63	29.13	48.34	28.99
Stamp duty recoveries	33.77	22.97	24.50	17.00	29.02
	737.45	622.36	676.80	570.65	852.25
(ii) Other operating revenues includes :					
Interest on fixed deposits	95.60	137.69	127.20	141.45	168.05
Advisory Income	-	0.01	0.23	1.78	0.04
Consultancy Fees	-	-	-	-	50.00
Income from IPO commission, Mutual Funds commission, Account Opening and Other miscellaneous income	2.94	3.36	4.70	49.23	10.57
	98.54	**141.06**	**132.13**	**192.46**	**228.66**

NOTE - 24 : SUMMARY STATEMENT OF RESTATED STANDALONE OTHER INCOME

(Rs. In Millions)

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Interest Income					
Interest Income from Inter Corporate Deposit	399.86	249.93	318.39	200.59	137.71
Interest Income from Income Tax Refund	-	-	-	2.97	2.73
Interest income from Non-Convertible Debentures	0.01	0.02	-	-	-
	399.87	249.95	318.39	203.56	140.44
Dividend Income					
Dividend Income on Long Term Investments	0.85	1.11	9.79	19.04	14.08
Dividend Income on Current Investments	-	-	-	-	0.62
Dividend Income from Subsidiary Company	245.20	-	410.00	600.00	-
	246.05	1.11	419.79	619.04	14.70
Other non-operating income					
Profit on Sale of Current Investments	-	-	-	-	0.47
Excess provision no longer required written back	4.67	2.94	5.11	18.50	18.10
Profit on sale/ scrapping of fixed assets	0.69	1.48	0.53	-	-
Sundry Credit Balances Written Back	19.51	9.75	2.22	8.37	3.40
Gain on foreign exchange fluctuations	3.81	4.12	2.03	2.90	0.97
Bad Debt Recovered	0.24	2.72	3.24	0.26	2.19
Profit on Sale of Long Term Investments	-	-	469.66 *	6.69	1.30
Miscellaneous income	0.25	9.72	-	-	-
	29.17	30.73	482.79	36.72	26.43
	675.09	**281.79**	**1,220.97**	**859.32**	**181.57**

* Refer Note No. 15 (vi) of Annexure V

NOTE - 25 : SUMMARY STATEMENT OF RESTATED STANDALONE OPERATING EXPENSES

(Rs. In Millions)

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Stamp Duty	35.83	24.07	28.43	21.17	32.75
Demat Charges	0.00 *	0.00 *	0.00 *	0.00 *	0.00 *
SEBI Charges	2.15	1.69	1.89	1.25	1.51
Commission	0.23	0.46	1.10	2.50	3.54
Depository Charges	7.96	6.19	6.64	5.49	6.41
Transaction Charges	30.90	23.80	26.50	20.75	28.51
Membership Fees	2.28	1.47	0.94	1.25	2.57
Web Hosting Expenses	8.48	9.27	9.07	11.19	12.79
VSAT Charges	0.65	0.74	1.03	1.28	3.41
Leased Line Expenses	5.14	5.03	4.81	7.23	14.37
Content Expenses	0.95	0.90	1.09	2.73	4.33
Software Expenses	1.43	0.91	0.79	0.95	1.52
	96.00	**74.53**	**82.29**	**75.79**	**111.71**

* Amount less than Rs. 50,000/-

NOTE - 26 : SUMMARY STATEMENT OF RESTATED STANDALONE EMPLOYEE BENEFIT EXPENSES

(Rs. In Millions)

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Salaries [(i) & (ii)]	254.71	190.09	186.35	184.02	246.56
Contribution to Provident Fund and Other Funds	1.56	1.05	0.87	0.41	0.54
Staff Welfare Expenses	0.20	0.23	3.04	2.26	13.24
Provision for Gratuity and Compensated absences (Refer note - 36)	11.24	10.50	7.35	5.67	11.05
	267.71	**201.87**	**197.61**	**192.36**	**271.39**

(i) During the year, personnel costs (excluding service tax) amounting to Rs. 26.21 millions (FY 2015-16 Rs. Nil; FY 2014-15 Rs. Nil; FY 2013-14 Rs. Nil; FY 2012-13 Rs. Nil) were apportioned to the Company by Indiabulls Distribution Services Limited - a wholly owned subsidiary of the Company.

(ii) During the year, personnel costs (excluding service tax) amounting to Rs. Nil (FY 2015-16 Rs. Nil; FY 2014-15 Rs. Nil; FY 2013-14 Rs. 54.20; FY 2012-13 Rs. 222.85 millions) were apportioned to Indiabulls Distribution Services Limited - a wholly owned subsidiary of the Company.

NOTE - 27 : SUMMARY STATEMENT OF RESTATED STANDALONE FINANCE COSTS

(Rs. In Millions)

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Bank charges	9.82	8.45	8.85	11.01	14.29
Interest on taxes	-	3.26	2.12	1.62	4.57
Interest on bank overdraft	14.55	39.24	17.53	66.74	37.99
Interest on working capital loan	25.06	42.83	13.88	5.51	6.31
Interest on vehicle loans	0.01	0.03	0.15	0.27	0.55
Interest on commercial papers	381.46	309.06	222.00	61.52	12.64
	430.90	**402.87**	**264.53**	**146.67**	**76.35**

NOTE - 28 : SUMMARY STATEMENT OF RESTATED STANDALONE OTHER EXPENSES

(Rs. In Millions)

	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Lease Rent (i) & (ii) below (Refer note - 30)	15.55	14.15	19.37	24.35	58.79
Rates and Taxes	1.84	1.63	5.82	3.13	11.49
Electricity Expenses	7.74	6.44	2.95	12.58	19.89
Insurance	0.70	0.90	0.50	0.51	0.60
Communication Expenses	11.97	9.68	13.08	19.05	33.11
Legal and professional charges	7.34	7.87	6.56	12.91	15.56
Travelling and conveyance	0.77	1.48	3.04	4.54	10.61
Printing and Stationery	5.77	5.02	6.89	6.63	10.67
Repairs and Maintenance - Others	10.25	10.64	10.11	12.66	24.77
Business Promotion	1.14	0.73	0.67	0.81	3.91
Office maintenance [(i) & (ii)]	3.95	3.96	2.33	6.00	22.90
Auditors' Remuneration (excluding service tax)					
- For Statutory Audit	6.08	2.65	2.65	2.65	5.30
- For Certification	0.67	0.50	0.50	0.50	1.00
- Reimbursement of Expenses	0.60	0.45	0.45	0.45	0.90
Loss on erroneous transactions (net) (Refer note - 31)	0.04	0.02	0.04	0.03	0.30
Loss on Sale / Scrap of fixed assets	-	-	-	23.37	9.06
Bad debts / advances / security deposits written off [(iii)] (Net off adj. against provision of earlier years)	-	-	-	-	-
Donation (Refer note - 38)	7.93	9.36	5.91	-	-
Provision for Doubtful Debts / Advances	12.00	0.30	0.41	3.95	39.40
Miscellaneous Expenses	0.41	0.31	0.57	0.39	0.85
	94.75	**76.09**	**81.85**	**134.51**	**269.11**

(i) During the year, lease rent (excluding service tax) amounting to Rs. 30.82 millions (FY 2015-16 Rs. 32.64 millions; FY 2014-15 Rs. 39.85 millions; FY 2013-14 Rs. 74.12 millions; FY 2012-13 Rs. 73.28 millions) and office maintenance (excluding service tax) amounting to Rs. 4.46 millions (FY 2015-16 Rs. 4.40 millions, FY 2014-15 Rs. Nil, FY 2013-14 Rs. Nil and FY 2012-13 Rs. Nil) were apportioned to Indiabulls Distribution Services Limited - a wholly owned subsidiary of the Company.

(ii) During the year, lease rent (excluding service tax) amounting to Rs. 1.69 millions (FY 2015-16 Rs. 1.80 millions; FY 2014-15 Rs. 2.70 millions; FY 2013-14 Re. 0.43 millions; FY 2012-13 Rs. Nil) and office maintenance (excluding service tax) amounting to Rs. 0.15 millions (FY 2015-16 Rs. 0.14 millions) were apportioned to the Company by Indiabulls Distribution Services Limited - a wholly owned subsidiary of the Company.

Note - 29

Earnings per Equity Share (EPS) :

Disclosure in respect of Accounting Standard – 20 'Earnings Per Share' :

The basic earnings per Equity Share is computed by dividing the net profit attributable to Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the reporting year. Diluted earnings per Equity Share is computed by considering 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. The 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 year, unless they have been issued at a later date. The number of Equity Shares and potential dilutive Equity Shares are adjusted for the potential dilutive effect of Employee Stock Option Plan and warrants as appropriate.

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Profit available for Equity Shareholders (Rs. in million)	481.09	170.56	1,150.98	877.85	300.61
Basic / Diluted Earnings per Equity Share:					
Weighted average number of Equity Shares used for computing Basic Earnings per Equity Share	295,000,363	291,937,356	258,749,486	231,112,511	231,112,511
Add: Potential number of Equity Shares that could arise on exercise of Employee Stock Options	6,463,014	1,528,205	2,957,646	357,152	-
Add: Potential number of Equity Shares that could arise on exercise of Warrants	10,156,973	274,685	17,638,846	5,353,352	-
Weighted average number of Equity Shares used in computing Diluted Earnings per Equity Share	311,620,350	293,740,246	279,345,978	236,823,015	231,112,511
Face Value of Equity Share (Rs.)	2.00	2.00	2.00	2.00	2.00
Earnings Per Equity Share - Basic (Rs.)	1.63	0.58	4.45	3.80	1.30
Earnings Per Equity Share - Diluted (Rs.)	1.54	0.58	4.12	3.71	1.30

Note - 30

Leases

The Company has taken office premises on operating lease at various locations in India and lease rent in respect of the same amounting to Rs. 15.55 millions (F.Y. 2015-16 - Rs. 14.15 millions, F.Y. 2014-15 - Rs. 19.37 millions, F.Y. 2013-14 - Rs. 24.35 millions, F.Y. 2012-13 - Rs. 58.79 millions) net of apportionment has been charged to the Statement of Profit and Loss. (Refer note - 28(i) & (ii)). The minimum lease rental outstanding are as under:

(Rs.in Millions)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Future minimum lease payments :-					
not later than one year	41.43	41.40	21.79	56.90	125.40
later than one year and not later than five years	102.89	144.31	4.58	20.26	116.83
later than five years	-	-	-	-	-

The agreements are executed for a period ranging from 11 months to 10 years with a renewable clause and in many cases, it also provides for termination at will by either party giving a prior notice period between 30 to 90 days.

Note - 31

Loss on Erroneous Transactions :

The loss on squaring off of erroneous transactions on account of trading in securities amounting to Rs.0.03 millions (net) [F.Y.2015-16- Rs.0.04 million (net), F.Y. 2014-15 - Rs. 0.04 million(net), F.Y. 2013-14 - Rs. 0.03 million(net), F.Y. 2012-13 - Rs. 0.03 million(net)] has been debited to the Statement of Profit and Loss.

Note - 32

A. Contingent liabilities not provided for in respect of:

(Rs.in Millions)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Others					
- Claims against the Company not acknowledged as debts in respect of:					
Penalty for synchronised trading under SEBI regulations(i)	1.50	1.50	15.00	15.00	15.00
Arbitration matters(ii)	-	-	-	2.15	0.20
Court Cases(ii)	2.80	5.92	9.29	6.64	3.82
- Fixed Deposits pledged against overdraft facility availed by Subsidiary Companies (refer note - 20 : summary statement of restated standalone cash and cash equivalents (i)	6,500.00	6,500.00	5,424.70	1,589.25	-
- Corporate guarantee for bank guarantees availed by subsidiary Company	-	-	-	-	100.00

(i) During the year ended March 31, 2011, the Securities Appellate Tribunal ("SAT") had passed an order dated October 26, 2010 in favour of the Company setting aside the penalty imposed by SEBI. However, during the year ended March 31, 2012, SEBI had preferred an appeal at the Honourable Supreme Court of India against the judgment of the SAT. The matter is pending adjudication.

(ii) The Company is involved in various legal proceedings as respondents / defendants for various claims including those related to conduct of its business. In respect of these claims, the Company believes, these claims do not constitute material litigation matters and with its meritorious defenses the ultimate disposition of these matters will not have material adverse effect on its financial statements / position.

B. Commitments:

(Rs.in Millions)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Capital Commitments for purchase of fixed assets	15.36	-	1.43	400.00	400.76

Note - 33
Employee Stock Option Schemes:

a) Employees Stock Option Scheme - 2008

Pursuant to a resolution passed by the Shareholders on January 19, 2009, the Company had cancelled and withdrawn the existing “Employee Stock Option Scheme - 2007”, covering 15,000,000 stock options and established a new 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 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 Company. Employees covered by the plan were granted an option to purchase shares of the Company subject to the requirements of vesting.

A Compensation Committee constituted by the Board of Directors of the Company administered the plan. The Compensation Committee at its meeting held on January 24, 2009, had granted, under the "Indiabulls Ventures Limited Employees Stock Option Scheme - 2008" (“IBVL ESOP - 2008”) (title changed by Compensation Committee at its meeting held on August 28, 2015 from "Indiabulls Securities Limited Employees Stock Option Scheme - 2008") , 20,000,000 Stock Options representing an equal number of Equity Shares of face value Rs. 2 each in the Company, to the Eligible Employees, at an exercise price of Rs. 17.40, being the latest available closing market price on the National Stock Exchange of India Ltd., as on January 23, 2009 following the intrinsic method of accounting as is prescribed in the Guidance Note on Accounting for Employees Share-Based Payments (“the Guidelines”) issued by the Institute of Chartered Accountants of India. 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 in the eligible employees over a period of 10 years beginning from January 25, 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, the Compensation Committee at its meeting held on July 1, 2016, has regranted under the IBVL ESOP - 2008 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 Company, to the Eligible Employees, at an exercise price of Rs. 24.15, being the latest available closing market price on the National Stock Exchange of India Ltd., as on June 30, 2016. The stock options so granted, shall vest uniformly over a period of 5 years beginning from July 2, 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.

S. No.	Particulars	IBVL ESOP - 2008	
		20,000,000 Options	9,700,000 Options Regranted
1	Exercise price	Rs. 17.40	Rs. 24.15
2	Expected volatility *	79.00%	42.97%
3	Expected forfeiture percentage on each vesting date	Nil	Nil
4	Option Life (Weighted Average)	11 Years	6 Years
5	Expected Dividends yield	22.99%	10.82%
6	Risk Free Interest rate	6.50%	7.45%
Fair value of the options under the plans using the Black Scholes Merton Option Pricing Model as certified by an independent firm of Chartered Accountants.		Re. 0.84	Rs. 4.31

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

b) Employees Stock Option Scheme - 2009

The Shareholders of the Company at their Annual General Meeting held on September 30, 2009 have authorised the Board of Directors to grant 20,000,000 options, representing equivalent number of Equity Shares of face value Rs. 2 each in one or more tranches, pursuant to an Employee Stock Option Scheme titled as ‘Indiabulls Ventures Limited Employees Stock Option Scheme - 2009’ ("IBVL ESOP - 2009") (title changed by Compensation Committee at its meeting held on August 28, 2015 from "Indiabulls Securities Limited Employees Stock Option Scheme - 2009"). The options covered under the Scheme would be granted at a price and on such terms and conditions as may be decided by the Compensation Committee, to the eligible employees of the Company and its subsidiaries.

The Compensation Committee constituted by the Board of Directors of the Company, at its meeting held on December 1, 2009, granted, under the IBVL ESOP - 2009 10,000,000 Stock Options representing an equal number of Equity Shares of face value Rs. 2 each in the Company, at an exercise price of Rs. 35.25, being the latest available closing market price on the National Stock Exchange of India Ltd., on November 30, 2009. The Stock Options so granted, shall vest uniformly over 10 years beginning from December 2, 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.

Further, the Compensation Committee constituted by the Board of Directors of the Company has at its meeting held on April 12, 2010, granted, under the IBVL ESOP - 2009 2,050,000 Stock Options representing an equal number of Equity Shares of face value Rs. 2 each in the Company, at an exercise price of Rs. 31.35, being the latest available closing market price on the National Stock Exchange of India Ltd., on April 9, 2010. The Stock Options so granted, shall vest uniformly over 10 years beginning from April 13, 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.

Further, the Compensation Committee constituted by the Board of Directors of the Company has at its meeting held on August 25, 2015, 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 Company, at an exercise price of Rs.27.45, being the latest available closing market price on the National Stock Exchange of India Ltd., as on August 24, 2015. The stock options so granted, shall vest uniformly over a period of 5 years beginning from August 26, 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 March 31, 2017, the Company has received the request from various option holders to surrender 10,000,000 stock options, which has been accepted by the Company.

Further, the Compensation Committee at its meeting held on May 12, 2016, has regranted under the IBVL ESOP - 2009 9,500,000 Stock Options (surrendered and lapsed options eligible for regrant) representing an equal number of Equity Shares of face value Rs. 2 each in the Company, to the Eligible Employees, at an exercise price of Rs. 16.00, being the latest available closing market price on the National Stock Exchange of India Ltd., as on May 11, 2016. The stock options so granted, shall vest uniformly over a period of 5 years beginning from May 13, 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, the Compensation Committee at its meeting held on July 1, 2016, has 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 Rs. 2 each in the Company, to the Eligible Employees, at an exercise price of Rs. 24.15, being the latest available closing market price on the National Stock Exchange of India Ltd., as on June 30, 2016. The stock options so granted, shall vest uniformly over a period of 5 years beginning from July 2, 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. During the year ended March 31, 2017, the Company has received the request from various option holders to surrender 10,000,000 stock options, which has been accepted by the Company.

S. No.	Particular	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
1	Exercise price	Rs. 35.25	Rs. 31.35	Rs. 27.45	Rs. 16.00	Rs. 24.15
2	Expected volatility *	77.00%	48.96%	38.59%	40.74%	42.97%
3	Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil
4	Option Life (Weighted Average)	10 Years	10 Years	7 Years	6 Years	6 Years
5	Expected Dividends yield	13.48%	6.86%	9.16%	16.33%	10.82%
6	Risk Free Interest rate	7.50%	8.05%	6.50%	7.45%	7.45%
Fair value of the options under the plans using the Black Scholes Merton Option Pricing Model as certified by an independent firm of Chartered Accountants.		Rs. 6.48	Rs. 9.39	Rs. 4.77	Rs. 1.38	Rs. 4.31

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

Had the compensation cost for the stock options granted under the IBVL ESOP - 2008 and IBVL ESOP - 2009 been determined based on the fair value approach, the Company's net profit and Basic / Diluted earnings per Equity Share would have been as per the pro forma amounts indicated below:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Profit attributable to Equity Shareholders (refer note - 29) (Rs. In millions)	481.09	170.56	1,150.98	877.85	300.61
Less: Stock-based compensation expense (Rs. In millions) determined under the fair value based method	0.56	0.84	0.87	0.93	1.58
[Gross F.Y.2016-17- Rs. 16.02 millions, F.Y. 2015-16 - Rs. 16.45 millions, F.Y. 2014-15 - Rs. 16,64 millions, F.Y. 2015-14 - Rs. 16.59 millions, F.Y. 2012-13 - Rs. 23.598 millions] (pro forma)					
Net Profit considered for computing Earnings per Equity Share (pro forma) (Rs. In millions)	480.53	169.72	1,150.11	876.92	299.03
Basic / Diluted Earnings Per Equity Share:					
Weighted average number of Equity Shares used for computing Basic Earnings per Equity Share (No. of shares)	295,000,363	291,937,356	258,749,486	231,112,511	231,112,511
Add: Potential number of Equity Shares that could arise on exercise of Employee Stock Options (No. of shares)	6,463,014	1,528,205	2,957,646	357,152	-
Add: Potential number of Equity Shares that could arise on exercise of Warrants (No. of shares)	10,156,973	274,685	17,638,846	5,353,352	-
Weighted average number of Equity Shares used for computing Diluted Earnings per Equity Share (No. of shares)	311,620,350	293,740,246	279,345,978	236,823,015	231,112,511
Basic earnings per Equity Share (as reported) (Rs.)	1.63	0.58	4.45	3.80	1.30
Basic earnings per Equity Share (pro forma) (Rs.)	0.00	0.00	0.00	0.00	0.00
Diluted earnings per Equity Share (as reported) (Rs.)	1.54	0.58	4.12	3.71	1.30
Diluted earnings per Equity Share (pro forma) (Rs.)	0.00	0.00	0.00	0.00	0.00

The other disclosures in respect of the above Stock Option Schemes are as under:

	IBVL ESOP - 2008	
Total Options under the Scheme (Nos.)	**20,000,000**	
Options granted (Nos.)	20,000,000	9,700,000 (Regrant)
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
Vesting Date	January 25th each year, commencing January 25, 2010	July 2nd each year, commencing July 2, 2017
Exercise Price (Rs.)	17.40	24.15
F.Y. 2016-17		
Outstanding at the beginning of the year (Nos.)	4,884,894	-
Regrant Addition (Nos.)	-	9,700,000
Options vested during the year (Nos.)*	708,808	-
Exercised during the year (Nos.)	2,687,378	-
Expired during the year (Nos.)	57,050	-
Surrendered and eligible for re-grant during the year (Nos.)	614,150	-
Outstanding at the end of the year (Nos.)	1,526,316	9,700,000
Exercisable at the end of the year (Nos.)	463,107	-
Remaining contractual Life (Weighted Months)	64	88

* Net of options surrendered before vesting.

F.Y. 2015-16	
Exercise Price (Rs.)	17.40
Outstanding at the beginning of the year (Nos.)	6,213,404
Options vested during the year (Nos.)*	915,808
Exercised during the year (Nos.)	706,460
Expired during the year (Nos.)	281,900
Surrendered and eligible for re-grant during the year (Nos.)	340,150
Outstanding at the end of the year (Nos.)	4,884,894
Exercisable at the end of the year (Nos.)	2,599,127
Remaining contractual Life (Weighted Months)	58

* Net of options surrendered before vesting.

F.Y. 2014-15	
Exercise Price (Rs.)	17.40
Outstanding at the beginning of the year (Nos.)	9,935,525
Options vested during the year (Nos.)*	1,003,708
Exercised during the year (Nos.)	2,840,571
Expired during the year (Nos.)	406,800
Surrendered and eligible for re-grant during the year (Nos.)	474,750
Outstanding at the end of the year (Nos.)	6,213,404
Exercisable at the end of the year (Nos.)	2,700,429
Remaining contractual Life (Weighted Months)	49

* Net of options surrendered before vesting.

F.Y. 2013-14	
Exercise Price (Rs.)	17.40
Outstanding at the beginning of the year (Nos.)	10,965,083
Options vested during the year (Nos.)*	1,072,608
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Surrendered and eligible for re-grant during the year (Nos.)	1,029,558
Outstanding at the end of the year (Nos.)	9,935,525
Exercisable at the end of the year (Nos.)	5,167,742
Remaining contractual Life (Weighted Months)	61

* Net of options surrendered before vesting.

F.Y. 2012-13	
Exercise Price (Rs.)	17.40
Outstanding at the beginning of the year (Nos.)	12,625,008
Options vested during the year (Nos.)*	1,182,538
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Surrendered and eligible for re-grant during the year (Nos.)	1,659,925
Outstanding at the end of the year (Nos.)	10,965,083
Exercisable at the end of the year (Nos.)	4,519,702
Remaining contractual Life (Weighted Months)	73

* Net of options surrendered before vesting.

	IBVL ESOP - 2009				
Total Options under the Scheme (Nos.)	**20,000,000**				
Options granted (Nos.)	10,000,000	2,050,000	10,000,000 (Regrant & Surrendered)	9,500,000 (Regrant)	10,000,000 (Regrant & Surrendered)
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
Vesting Date	December 2nd each year, commencing December 2, 2010	April 13th each year, commencing April 13, 2011	August 26th each year, commencing August 26, 2016	May 13th each year, commencing May 13, 2017	July 2nd each year, commencing July 2, 2017
Exercise Price (Rs.)	35.25	31.35	27.45	16.00	24.15

F.Y. 2016-17					
Exercise Price (Rs.)	35.25	31.35	27.45	16.00	24.15
Outstanding at the beginning of the year (Nos.)	-	500,000	10,000,000	-	-
Regrant Addition (Nos.)	NA	NA	NA	9,500,000	10,000,000
Options vested during the year (Nos.)*	-	50,000	-	-	-
Exercised during the year (Nos.)	-	-	-	-	-
Expired during the year (Nos.)	-	50,000	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	10,000,000	347,000	10,000,000
Outstanding at the end of the year (Nos.)	-	450,000	-	9,153,000	-
Exercisable at the end of the year (Nos.)	-	250,000	-	-	-
Remaining contractual Life (Weighted Months)	-	48	-	86	-

* Net of options surrendered before vesting.

F.Y. 2015-16			
Exercise Price (Rs.)	35.25	31.35	27.45
Outstanding at the beginning of the year (Nos.)	-	500,000	-
Options vested during the year (Nos.)*	-	50,000	-
Exercised during the year (Nos.)	-	-	-
Expired during the year (Nos.)	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-
Outstanding at the end of the year (Nos.)	-	500,000	10,000,000
Exercisable at the end of the year (Nos.)	-	250,000	-
Remaining contractual Life (Weighted Months)	-	54	89

* Net of options surrendered before vesting.

F.Y. 2014-15		
Exercise Price (Rs.)	35.25	31.35
Outstanding at the beginning of the year (Nos.)	-	500,000
Options vested during the year (Nos.)*	-	50,000
Exercised during the year (Nos.)	-	-
Expired during the year (Nos.)	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-
Outstanding at the end of the year (Nos.)	-	500,000
Exercisable at the end of the year (Nos.)	-	200,000
Remaining contractual Life (Weighted Months)	Nil	78

* Net of options surrendered before vesting.

F.Y. 2013-14		
Exercise Price (Rs.)	35.25	31.35
Outstanding at the beginning of the year (Nos.)	-	500,000
Options vested during the year (Nos.)*	-	50,000
Exercised during the year (Nos.)	-	-
Expired during the year (Nos.)	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-
Outstanding at the end of the year (Nos.)	-	500,000
Exercisable at the end of the year (Nos.)	-	150,000
Remaining contractual Life (Weighted Months)	Nil	90

* Net of options surrendered before vesting.

F.Y. 2012-13		
Exercise Price (Rs.)	35.25	31.35
Outstanding at the beginning of the year (Nos.)	-	500,000
Options vested during the year (Nos.)*	-	50,000
Exercised during the year (Nos.)	-	-
Expired during the year (Nos.)	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-
Outstanding at the end of the year (Nos.)	-	500,000
Exercisable at the end of the year (Nos.)	-	100,000
Remaining contractual Life (Weighted Months)	Nil	102

* Net of options surrendered before vesting.

Note - 34

Segment Reporting :

The Company operates in one reportable business segment i.e., “Broking & related activities” and operates in one reportable geographical segment, i.e. “within India”. Hence, no separate information for segment wise disclosure is required in accordance with the requirements of Accounting Standard (AS) 17 - "Segment Reporting" .

Note - 35

Related Party Disclosures :

Disclosures in respect of Accounting Standard 18 - 'Related Party Disclosures' :

Nature of Relationship	Name of the Party
(a) Related parties where control exists:	
Subsidiary Companies *	Arbutus Constructions Limited (w.e.f. June 11, 2013) (formerly known as Arbutus Constructions Private Limited)
	Astilbe Builders Limited (w.e.f. June 11, 2013)(formerly known as Astilbe Builders Private Limited)
	Astraea Constructions Limited (w.e.f. June 11, 2013) (formerly known as Astraea Constructions Private Limited)
	Auxesia Soft Solutions Limited (w.e.f. September 30, 2011)
	Devata Tradelink Limited
	Gyan Sagar Buildtech Private Limited (w.e.f. June 11, 2013) (formerly known as Gyan Sagar Software Technologies Private Limited)
	India Ethanol and Sugar Limited
	India Land and Properties Limited (from November 18, 2014 to March 16, 2017) (formerly known as India Land and Properties Private Limited)
	Indiabulls Alternate investments Limited (w.e.f. February 10, 2016)
	Indiabulls Assets Reconstruction Company Limited (w.e.f. October 3, 2016)
	Indiabulls Brokerage Limited
	Indiabulls Commodities Limited
	Indiabulls Consumer Products Limited (w.e.f. July 5, 2016)
	Indiabulls Distribution Services Limited
	Indiabulls Infra Resources Limited (w.e.f. February 1, 2017)
	Indiabulls Logistics Limited (w.e.f. January 19, 2017)
	IVL Finance Limited (formerly known as Shivshakti Financial Services Limited)
	Positive Housings Private Limited (w.e.f. February 04, 2015)
	Pushpanjli Fincon Limited (w.e.f. June 11, 2013) (formerly known as Pushpanjli Fincon Private Limited)
	Pushpanjli Finsolutions Limited (w.e.f. June 28, 2013) (formerly known as Pushpanjli Finsolutions Private Limited)
	Silenus Buildtech Limited (w.e.f. June 11, 2013) (formerly known as Silenus Buildtech Private Limited)
	Viscaria Builders Private Limited (w.e.f. June 11, 2013 till February 28, 2014)

* These Companies include step down subsidiaries and step down subsidiaries of the subsidiaries of the company

(b) Other Related Parties:

Key Management Personnel	Mr. Divyesh B. Shah, Whole Time Director & Chief Executive Officer
	Mr. Amiteshwar Choudhary, Whole Time Director (w.e.f. September 28, 2016)
	Mr. Ashok Sharma, Whole Time Director (upto August 26, 2016)
	Mr. Sameer Gehlaut
Person Excercising Significant Influence	Mr. Rajiv Rattan (upto July 17, 2014) [Refer note - 3 (iv)]
	Mr. Saurabh K. Mittal (upto July 17, 2014) [Refer note - 3 (iv)]

(c) Party wise Statement of Transactions:

Related party relationships as given above are as identified by the Company.

(Rs. In Millions)

Nature of Transaction	Relationship	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Income						
Brokerage Income						
- Mr. Divyesh B. Shah	Key Management Personnel	0.00	-	-	-	-
- Mr. Sameer Gehlaut	Person Excercising Significant Influence	0.31	-	-	-	-
Consultancy Fees						
- Indiabulls Distribution Services Limited	Subsidiary Company	-	-	2.00	-	50.00
Bad Debt Recovered						
- Devata Tradelink Limited	Subsidiary Company	-	-	-	-	2.13
Dividend Income						
- Indiabulls Commodities Limited	Subsidiary Company	145.20	-	-	-	-
- Indiabulls Distribution Services Limited	Subsidiary Company	100.00	-	410.00	600.00	-
Expenses						
Rent Expense						
- India Land and Properties Limited	Subsidiary Company	0.83	0.11	-	-	-
Office Maintenance Expense						
- India Land and Properties Limited	Subsidiary Company	0.26	0.03	-	-	-
Printing & Stationery Expenses						
- India Land and Properties Limited	Subsidiary Company	0.00	0.01	-	-	-
Reimbursement of Expenses paid						
- India Land and Properties Limited	Subsidiary Company	0.34	0.02	-	-	-
- Indiabulls Distribution Services Limited	Subsidiary Company	28.06	1.95	2.70	0.43	-
Reimbursement of Expenses received						
- Indiabulls Commodities Limited	Subsidiary Company	-	-	-	-	0.21
- Indiabulls Brokerage Limited	Subsidiary Company	-	-	-	-	0.01
- Indiabulls Distribution Services Limited	Subsidiary Company	35.28	37.03	39.85	128.32	296.15
- Auxesia Soft Solutions Limited	Subsidiary Company	-	-	-	-	0.00
- Indiabulls Consumer Products Limited	Subsidiary Company	0.17	-	-	-	-
- Indiabulls Logistics Limited	Subsidiary Company	0.23	-	-	-	-
- Indiabulls Infra Resources Limited	Subsidiary Company	0.59	-	-	-	-
Remuneration						
- Mr. Divyesh B. Shah	Key Management Personnel	3.14	10.27	31.60	26.10	17.42
Finance						
Inter-Corporate Deposits Given						
(maximum balance outstanding during the year)						
- Indiabulls Distribution Services Limited	Subsidiary Company	7,202.20	10,317.20	6,052.90	3,051.50	2,013.00
- Devata Tradelink Limited	Subsidiary Company	-	113.06	113.25	300.00	300.00
Investment in Non Convertible Debentures						
- Indiabulls Distribution Services Limited	Subsidiary Company	9,515.00	12,833.00	-	-	-
Redemption of investment in Non Convertible Debentures						
- Indiabulls Distribution Services Limited	Subsidiary Company	9,515.00	12,833.00	-	-	-
Money received against Share Warrants						
- Mr. Sameer Gehlaut	Person Excercising Significant Influence	-	-	-	19.46	-
- Mr. Rajiv Rattan	Person Excercising Significant Influence	-	-	-	6.10	-
- Mr. Saurabh K. Mittal	Person Excercising Significant Influence	-	-	-	5.22	-
- Mr. Divyesh B. Shah	Key Management Personnel	19.75	-	-	13.00	-

Money received against conversion of Share Warrants						
- Mr. Sameer Gehlaut	Person Excercising Significant Influence	-	58.38	-	-	-
- Mr. Divyesh B. Shah	Key Management Personnel	-	14.63	24.38	-	-
Money received against ESOP						
- Mr. Ashok Sharma	Key Management Personnel	-	-	6.53	-	-
- Mr. Divyesh B. Shah	Key Management Personnel	33.94	-	-	-	-
- Mr. Amiteshwar Choudhary	Key Management Personnel	2.44	-	-	-	-
Interest income on Inter-Corporate Deposits						
- Indiabulls Distribution Services Limited	Subsidiary Company	399.86	249.93	318.39	200.59	137.71
Interest Income from Non Convertible Debentures						
- Indiabulls Distribution Services Limited	Subsidiary Company	0.01	0.02	-	-	-
Investment						
Investment in Equity Shares						
- Indiabulls Consumer Products Limited	Subsidiary Company	0.50	-	-	-	-
- Indiabulls Logistics Limited	Subsidiary Company	0.50	-	-	-	-
- Indiabulls Infra Resources Limited	Subsidiary Company	30.00	-	-	-	-
- Indiabulls Asset Reconstruction Company Limited	Subsidiary Company	449.00	-	-	-	-
Sale of Investment						
- Indiabulls Distribution Services Limited	Subsidiary Company	-	-	0.50	-	-
Liabilities						
Employee Benefits Liabilities paid						
- Indiabulls Distribution Services Limited	Subsidiary Company	2.47	1.21	-	21.10	-
- India Land and Properties Limited	Subsidiary Company	-	2.51	-	-	-
Employee Benefits Liabilities received						
- Indiabulls Distribution Services Limited	Subsidiary Company	-	0.28	-	-	-
- India Land and Properties Limited	Subsidiary Company	2.55	-	-	-	-
- Indiabulls Commodities Limited	Subsidiary Company	-	0.10	-	-	-
Assets						
Security Deposit Given						
- India Land and Properties Limited	Subsidiary Company	-	0.27	-	-	-
Contingent Liability						
Fixed Deposits pledged against overdraft facility availed by subsidiary companies						
- Indiabulls Commodities Limited	Subsidiary Company	-	-	-	522.50	-
- Indiabulls Distribution Services Limited	Subsidiary Company	6,500.00	6,500.00	5,424.70	1,066.75	-
Guarantee Given						
- Indiabulls Commodities Limited	Subsidiary Company	-	-	-	-	30.00
Guarantee Released						
- Indiabulls Commodities Limited	Subsidiary Company	-	-	-	10.00	-

(c) Outstanding Balances with related parties:

(Rs. In Millions)

Nature of Transaction	Relationship	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Loan Given						
- Indiabulls Distribution Services Limited	Subsidiary Company	455.60	246.20	195.35	1,108.00	1,175.50
- Devata Tradelink Limited	Subsidiary Company	-	-	113.03	108.75	300.00
Guarantee given for Subsidiary Company						
- Indiabulls Commodities Limited	Subsidiary Company	-	-	-	-	100.00
Fixed Deposits pledged against overdraft facility availed by Subsidiary Companies						
- Indiabulls Commodities Limited	Subsidiary Company	-	-	-	522.50	-
- Indiabulls Distribution Services Limited	Subsidiary Company	6,500.00	6,500.00	5,424.70	1,066.75	-
Dividend Receivable						
- Indiabulls Distribution Services Limited	Subsidiary Company	-	-	150.00	170.00	-
Money received against Share Warrants						
- Mr. Sameer Gehlaut	Person Excercising Significant Influence	-	-	19.46	19.46	-
- Mr. Rajiv Rattan	Person Excercising Significant Influence	-	-	-	6.10	-
- Mr. Saurabh K. Mittal	Person Excercising Significant Influence	-	-	-	5.22	-
- Mr. Divyesh B. Shah	Key Management Personnel	19.75	-	4.88	13.00	-
Money received against ESOP						
- Mr. Ashok Sharma	Key Management Personnel	-	-	1.31	-	-
- Mr. Divyesh B. Shah	Key Management Personnel	7.84	-	-	-	-
Security Deposit Given						
- India Land and Properties Limited	Subsidiary Company	-	0.27	-	-	-

Note - 36
Employee Benefits:

Provident Fund, Gratuity and Compensated Absences - disclosures as per Accounting Standard 15 (Revised) - 'Employee Benefits' :

Contributions are made to Government Provident Fund and Family Pension Fund and other statutory funds which cover all regular employees eligible under the respective acts. Both the employees and the Company make predetermined contributions to the Provident Fund. The contributions are normally based on a certain proportion of the employee's salary. The Company has recognised an amount of Rs. 1.56 millions (F.Y. 2015-16 - Rs. 1.05 millions, F.Y. 2014-15 - Rs. 0.87 millions, F.Y. 2013-14 - Rs. 0.41 millions, F.Y. 2012-13 - Rs. 0.67 millions) towards Employer's Contribution for the above mentioned funds.

Provision for unfunded Gratuity and Compensated Absences for eligible employees is based on an actuarial valuation carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains / losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

Disclosures in respect of Gratuity and Compensated Absences:

(Rs. In Millions)

Particulars	Gratuity (unfunded) 2016-17	Gratuity (unfunded) 2015-16	Gratuity (unfunded) 2014-15	Gratuity (unfunded) 2013-14	Gratuity (unfunded) 2012-13
Reconciliation of Liability recognised in the Balance Sheet :					
Present Value of Commitments (as per Actuarial valuation)	29.97	24.08	20.46	17.41	35.02
Fair Value of Plans	-	-	-	-	-
Net Liability in the Balance Sheet (as per Actuarial valuation)	29.97	24.08	20.46	17.41	35.02
Movement in net Liability recognised in the Balance Sheet :					
Net Liability as at beginning of the year	24.08	20.46	17.41	35.02	34.48
Amount Paid during the year	3.09	3.13	3.64	6.82	10.50
Acquisition adjustment on account of transfer of employees	0.81	1.18	-	16.46	-
Net expense recognised in the Statement of Profit and Loss	9.79	7.92	6.68	5.67	11.05
Contribution during the year	-	-	-	-	-
Net Liability as at end of the year	29.97	24.08	20.46	17.41	35.02
Expense recognised in the Statement of Profit and Loss :					
Current Service Cost	3.71	2.67	2.23	2.20	-
Past Service Cost	-	-	-	-	-
Interest Cost	2.01	1.78	1.54	2.23	-
Expected return on plan assets	-	-	-	-	-
Actuarial losses / (gains)	4.07	3.48	2.91	1.24	-
Expense charged to the Statement of Profit and Loss	9.79	7.92	6.68	5.67	-
Return on plan assets :					
Expected return on plan assets	-	-	-	-	-
Actuarial (gains) / losses	-	-	-	-	-
Actual return on plan assets	-	-	-	-	-
Reconciliation of defined-benefit Commitments :					
Commitments as at beginning of the year	24.08	20.46	17.41	35.02	34.48
Current Service Cost	3.71	2.67	2.23	2.20	-
Past Service Cost	-	-	-	-	-
Interest Cost	2.01	1.78	1.54	2.23	-
Paid benefits	(3.09)	(3.13)	(3.64)	(6.82)	(10.50)
Acquisition adjustment on account of transfer of employees	(0.81)	(1.18)	-	(16.46)	-
Actuarial losses / (gains)	4.07	3.48	2.91	1.24	-
Commitments as at end of the year	29.97	24.08	20.46	17.41	23.98
Reconciliation of plan assets :					
Plan assets as at beginning of the year	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-
Contributions during the year	-	-	-	-	-
Paid benefits	-	-	-	-	-
Actuarial (gains) / losses	-	-	-	-	-
Plan assets as at end of the year	-	-	-	-	-

(Rs. In Millions)

	Gratuity (Unfunded)				
Experience adjustment:	**2016-17**	**2015-16**	**2014-15**	**2013-14**	**2012-13**
On plan liabilities (losses)	(1.50)	(2.40)	(2.15)	(2.66)	(2.68)
On plan assets (gains/ (losses))	-	-	-	-	-
Present value of benefit obligation	29.97	24.08	20.46	17.41	35.02
Fair value of plan assets	-	-	-	-	-
Excess of obligation over plan assets / (plan assets over obligation)	29.97	24.08	20.46	17.41	35.02

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)
Notes to the restated standalone financial statements for the year ended March 31, 2017

(Rs. In Millions)

Particulars	Compensated Absences (unfunded) 2016-17	Compensated Absences (unfunded) 2015-16	Compensated Absences (unfunded) 2014-15	Compensated Absences (unfunded) 2013-14	Compensated Absences (unfunded) 2012-13
Reconciliation of Liability recognised in the Balance Sheet :					
Present Value of Commitments (as per Actuarial valuation)	8.33	6.06	5.80	5.38	10.50
Fair Value of Plans	-	-	-	-	-
Net Liability in the Balance Sheet (as per Actuarial valuation)	8.33	6.06	5.80	5.38	10.50
Movement in net Liability recognised in the Balance Sheet :					
Net Liability as at beginning of the year	6.06	5.80	5.38	10.50	12.65
Amount Paid during the year	0.05	0.16	0.25	0.45	0.67
Acquisition adjustment on account of transfer of employees	(0.88)	2.16	-	4.64	-
Net expense recognised in the Statement of Profit and Loss	1.45	2.58	0.67	(0.03)	(1.49)
Contribution during the year	-	-	-	-	-
Net Liability as at end of the year	8.33	6.06	5.80	5.38	10.50
Expense recognised in the Statement of Profit and Loss :					
Current Service Cost	1.00	0.81	0.69	0.66	1.86
Past Service Cost	-	-	-	-	-
Interest Cost	0.47	0.51	0.52	0.67	1.02
Expected return on plan assets	-	-	-	-	-
Actuarial losses / (gains)	(0.03)	1.26	(0.54)	(1.35)	(4.37)
Expense charged to the Statement of Profit and Loss	1.45	2.58	0.67	(0.03)	(1.49)
Return on plan assets :					
Expected return on plan assets	-	-	-	-	-
Actuarial (gains) / losses	-	-	-	-	-
Actual return on plan assets	-	-	-	-	-
Reconciliation of defined-benefit Commitments :					
Commitments as at beginning of the year	6.06	5.80	5.38	10.50	12.65
Current Service Cost	1.00	0.81	0.69	0.66	1.86
Past Service Cost	-	-	-	-	-
Interest Cost	0.47	0.51	0.52	0.67	1.02
Paid benefits	(0.05)	(0.16)	(0.25)	(0.45)	(0.67)
Acquisition adjustment on account of transfer of employees	0.88	(2.16)	-	(4.64)	-
Actuarial losses / (gains)	(0.03)	1.26	(0.54)	(1.35)	(4.37)
Commitments as at end of the year	8.33	6.06	5.80	5.38	10.50
Reconciliation of plan assets :					
Plan assets as at beginning of the year	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-
Contributions during the year	-	-	-	-	-
Paid benefits	-	-	-	-	-
Actuarial (gains) / losses	-	-	-	-	-
Plan assets as at end of the year	-	-	-	-	-

(Rs. In Millions)

	Compensated Absences (Unfunded)				
Experience adjustment:	**2016-17**	**2015-16**	**2014-15**	**2013-14**	**2012-13**
On plan liabilities gain / (losses)	0.56	(1.02)	0.75	0.94	4.40
On plan assets (gains/ (losses))	-	-	-	-	-
Present value of benefit obligation	8.33	6.06	5.80	5.38	10.50
Fair value of plan assets	-	-	-	-	-
Excess of obligation over plan assets / (plan assets over obligation)	8.33	6.06	5.80	5.38	10.50

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

Particulars	As at 2016-17	As at 2015-16	As at 2014-15	As at 2013-14	As at 2012-13
Discount rate -					
Gratuity and Compensated Absences	7.35%	8.00%	8.25%	8.50%	8.00%
Expected return on plan assets	NA	NA	NA	NA	NA
Expected rate of salary increase	5.00%	5.00%	5.00%	5.00%	5.00%
Mortality	IALM (2006 - 08)	IALM (2006 - 08)	IALM (2006-08)	IALM (2006-08)	IALM (1994 - 96)

The employer's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet Date, towards Gratuity and Compensated Absences is Rs. 8.70 millions (F.Y. 2015-16 - Rs. 6.08 millions, F.Y. 2014-15 - Rs. 5.07 millions, F.Y. 2013-14 - Rs. 4.23 millions, F.Y. 2012-13 - Rs. 9.86 millions) and Rs. 2.33 millions (F.Y. 2015-16 - Rs. 1.29 millions, F.Y. 2014-15 - Rs. 1.31 millions, F.Y. 2013-14 - Rs. 1.22 millions, F.Y. 2012-13 - Rs. 2.67 millions) respectively.

Note - 37

Earnings in Foreign Currency:

(Rs. In millions)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Advisory Income	-	0.01	-	0.01	0.04
Dividend on Long-Term Investments	-	-	9.27	18.52	13.30
Total	**-**	**0.01**	**9.27**	**18.53**	**13.33**

Note - 38

Donation includes Rs. 7.53 millions (F.Y. 2015-16 - Rs. 9.36 millions, F.Y. 2014-15 - Rs. 5.91 millions, F.Y. 2013-14 - Rs. Nil, F.Y. 2012-13 - Rs. Nil) towards amount contributed toward Corporate Social Responsibility as required under section 135 of the Companies Act, 2013.

Note - 39

Derivative Instruments:

The Company has not entered into any derivative contract for hedging any foreign currency exposure. The year end foreign currency exposures that have not been hedged by derivative instruments or otherwise are given below :

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Amount receivable on loan notes and escrow receivable account (USD in millions)	1.21	1.21	1.291918	1.291918	1.59
Amount receivable on loan notes and escrow receivable account (INR in millions)	78.43	80.23	80.862154	77.643988	86.38

Note - 40

During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company revised the estimated useful life of some of its assets to align the useful life with those specified in Schedule II. The details of previously applied rates / useful life are as follows:

Asset	Previous depreciation rate / useful life	Revised useful life
Furniture and Fixtures	6.33% / ~15.80 years	10 years
Vehicles	9.50% / ~10.53 years	8 years
Office equipment	4.75% / ~21.05 years	5 years
Computers	16.21% / ~6.17 years	3 years
Software	25% / ~4 years	4 years

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of Rs. 78.53 millions (net of deferred tax of Rs. 41.56 millions) against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus.

The depreciation expense in the Statement of Profit and Loss for the year is higher by Rs. 13.99 millions consequent to the change in the useful life of the assets.

Note - 41

Disclosure in respect of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016 as required vide Notification No. G.S.R. 308E dated March 30, 2017 issued by the Ministry of Corporate Affairs:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	15,000	1,490	16,490
(+) Permitted receipts	-	110,250	110,250
(-) Permitted payments	-	60,270	60,270
(-) Amount deposited in Banks	15,000	-	15,000
Closing cash in hand as on December 30, 2016	**-**	**51,470**	**51,470**

Note - 42

In order to augment the long-term resources of the Company for meeting the funding requirements for its business purposes, -

(i) The Board of Directors of the Company at its meeting held on March 28, 2017, has approved the preferential offer and issue of up to 33,800,000 (Three Crore Thirty Eight Lakhs) warrants convertible into equivalent number of equity shares of Rs. 2 each, to certain promoter group entities, at an exercise price of Rs. 43.75 per share, in accordance with Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended. The said issue, inter alia, has been approved by the shareholders of the Company in their extra-ordinary general meeting held on April 25, 2017.

(ii) The Board of Directors of the Company at its meeting held on April 7, 2017, has approved the preferential offer and issue of 38,865,582 (Three Crore Eighty Eight Lakhs Sixty Five Thousand Five Hundred Eighty Two) equity shares of Rs. 2 each, to a foreign portfolio investor registered with the Securities and Exchange Board of India, at an issue price of Rs. 58.40 per equity share, in accordance with Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended. For seeking shareholder's approval, to the said issuance of equity shares, the Board has convened an Extraordinary General Meeting of Shareholders of the Company on Saturday, May 6, 2017.

(iii) The Board of Directors of the Company at its meeting held on April 21, 2017, has approved the preferential offer and issue of 47,390,000 (Four Crore Seventy Three Lakhs Ninety Thousand) equity shares of Rs. 2 each, to a foreign investor, at an issue price of Rs. 94.70 per equity share, in accordance with Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended. For seeking shareholder's approval, to the said issuance of equity shares, the Board has convened an Extraordinary General Meeting of Shareholders of the Company on Monday, May 22, 2017.

Note - 43

As per the best estimate of the Management, no provision is required to be made as per Accounting Standard 29 - 'Provisions, Contingent Liabilities and Contingent Assets' , 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 - 44

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

For and on behalf of the Board of Directors

Divyesh B. Shah Whole Time Director & Chief Executive Officer DIN: 00010933 Mumbai, September 28, 2017	Pinank Shah Whole Time Director DIN: 07859798	Rajeev Lochan Agrawal Chief Financial Officer	Lalit Sharma Company Secretary

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)

ANNEXURE: VI

SUMMARY STATEMENT OF RESTATED STANDALONE ACCOUNTING RATIOS

Particulars		As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Net Profit / (loss) after tax, as restated, attributable to equity shareholders (Rs. In Millions)	A	481.09	170.56	1,150.98	877.85	300.61
Weighted average number of equity shares outstanding during the year used for computing Basic EPS (No. of shares)	B	295,000,363	291,937,356	258,749,486	231,112,511	231,112,511
Add: Potential number of Equity Shares that could arise on exercise of Employee Stock Options (No. of shares)	C	6,463,014	1,528,205	2,957,646	357,152	-
Add: Potential number of Equity Shares that could arise on exercise of Warrants (No. of shares)	D	10,156,973	274,685	17,638,846	5,353,352	-
Weighted average number of diluted equity shares outstanding during the year used for computing Diluted EPS (No. of shares)	E= (B+C+D)	311,620,350	293,740,246	279,345,978	236,823,015	231,112,511
Restated Net worth at the end of the year (excluding money received against share warrants) (Rs. In Millions)	F	2,682.09	2,008.51	2,447.94	2,124.49	2,250.70
No. of equity shares outstanding at the end of the year	G	320,206,920	292,869,542	261,223,081	231,112,511	231,112,511
Earnings per Equity Share:						
(1) Basic (Rs.)	A / B	1.63	0.58	4.45	3.80	1.30
(2) Diluted (Rs.)	A / E	1.54	0.58	4.12	3.71	1.30
Return on Networth:	A / F	17.94%	8.49%	47.02%	41.32%	13.36%
Net Asset Value Rs. per share:	F / G	8.38	6.86	9.37	9.19	9.74

Notes:

1. The figures disclosed above are based on the restated standalone summary statements of the Company.

2. The above statement should be read with the Summary of Significant Accounting Policies and Notes to the Restated Standalone Financial information, appearing in Annexure V; and statement on Adjustments to Standalone Financial Statements, appearing in Annexure IV.

3. The Ratios have been computed as below:

(i) Basic earnings per share (Rs.) = $\frac{\text{Net Profit / (loss) after tax, as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$

(ii) Diluted earnings per share (Rs.) = $\frac{\text{Net Profit / (loss) after tax, as restated, attributable to equity shareholders}}{\text{Weighted average number of diluted equity shares outstanding during the year}}$

(iii) Return of net worth (%) = $\frac{\text{Net Profit / (loss) after tax, as restated, attributable to equity shareholders}}{\text{Restated Net worth at the end of the year (excluding money received against share warrants)}}$

(iv) Net asset value per equity share (Rs.) = $\frac{\text{Restated Net worth at the end of the year (excluding money received against share warrants)}}{\text{Total number of equity shares outstanding at the end of year}}$

4. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

5. Networth includes Share Capital and Reserve & Surplus.

6. The above computation should be read with Note No. 29 - Earnings per Equity Share (EPS)

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)
ANNEXURE: VII

STATEMENT OF CAPITALISATION

The capitalisation statement of the Company on Standalone basis as at March 31, 2017 as adjusted post the Issue is as follows:

(Rs. In Millions)

Particulars	Pre-Issue as at March 31, 2017	Post-Issue
Borrowings		
Long Term Borrowings	-	(*)
Short Term Borrowings	6,058.27	(*)
Current Maturities of Long Term Borrowings	-	(*)
Total Borrowings (A)	**6,058.27**	**(*)**
Shareholder's Fund		
Equity Share Capital	640.41	(*)
Reserves & Surplus (Excluding Revaluation Reserves)	2,041.68	(*)
Money received against share warrants	166.15	
Total Shareholder's Fund (B)	**2,848.24**	**(*)**
Total Borrowings/ Shareholder's Fund ((A)/(B)) (1)	**2.13**	**(*)**
Long Term Borrowings/ Shareholder' Fund (2)	**-**	**(*)**

Note:
* Post Issue Capitalization will be determined after finalization of issue price

1. The above ratio has been computed on the basis of restated statement of accounts.
2. For the purpose of Long term debt/Equity ratio, Long term debt has been considered.

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)

Annexure VIII -Restated Statement of Standalone Dividends Paid/Proposed by the Company					
Statement of Dividend	**For the year ended**	**For the year ended**	**For the year ended**	**For the year ended**	**For the year ended**
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Equity shares (No. of shares)	320,206,920	292,869,542	261,223,081	231,112,511	231,112,511
Face value (Rs.)	2.00	2.00	2.00	2.00	2.00
Equity Share Capital (Rs. In Millions)	640.41	585.74	522.45	462.23	462.23
Rate of Dividend %	50.00%	150.00%	200.00%	200.00%	100.00%
Dividend per Equity Share (Rs.)	1.00	3.00	4.00	4.00	2.00
Amount of Dividend (Rs. In Millions)	320.21	877.13	1,041.16	924.45	462.23
Dividend Distribution Tax (Rs. In millions)	15.27	148.03	112.96	84.03	74.98

INDIABULLS VENTURES LIMITED (Formerly known as Indiabulls Securities Limited)

ANNEXURE-IX
RESTATED STATEMENT OF TAX SHELTER.

S.No.	Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
A	**Profit/ Loss before taxes as restatd**	605.49	264.17	1,355.57	1,026.67	457.43
	Less : Profit on Sale of Long Term Investments	-	-	(469.66)	(6.69)	(1.30)
	Business Income	605.49	264.17	885.91	1,019.98	456.13
	Capital Gain	-	-	187.69	-	-
	Applicable Tax Rate					
B	Normal Tax at applicable Rates %	34.61%	34.61%	33.99%	33.99%	32.45%
	Capital Gain Tax at applicable Rates %	23.07%	23.07%	22.66%	22.66%	21.63%
C	**Tax Expense at applicable Rate**					
	Normal Tax	209.55	91.42	301.12	346.69	147.99
	Capital Gain Tax	-	-	42.53	-	-
	Total Tax	209.55	91.42	343.65	346.69	147.99
	Adjustments:					
D	**Permanent Differences**					
	Interest on taxes-40(a)	-	3.26	2.12	1.62	4.57
	Disallowance u/s 14A (Expenses related to exempt income)	0.07	0.31	0.31	0.40	0.10
	Dividend from Subsidiary Company	(245.20)	-	(410.00)	(600.00)	-
	Dividend from BSE Limited	(0.85)	(1.11)	(0.52)	(0.52)	(1.40)
	Excess Provision for Expenses	(1.71)	(6.47)	(8.27)	(31.53)	(33.93)
	Donation Expenses	7.93	9.36	5.91	-	-
	Deduction u/s 80G	(3.96)	(4.68)	(2.96)	-	-
	Others	-	-	0.03	0.15	0.68
	Total Permanent Differences	**(243.72)**	**0.67**	**(413.38)**	**(629.88)**	**(29.98)**
E	**Timing Differences**					
	Difference in depreciation as per Income Tax Act and Financial Statements	(8.25)	(2.32)	14.41	2.29	22.56
	Profit/Loss on sale of Fixed Asset	(0.69)	(1.48)	(0.53)	23.37	9.06
	Provision for Gratuity 40A(7)	6.70	4.80	3.05	(2.30)	0.54
	Provision for Leave encashment	1.39	2.42	0.42	(0.48)	(2.16)
	Provision for doubtful debts/advances/deposits	12.00	0.30	0.41	3.95	39.40
	Bad Debts w/off (from provisions)	(16.04)	(0.05)	(16.63)	(51.90)	(96.54)
	Unrealised foreign exchange Items	(1.81)	3.69	-	-	-
	Others	(1.62)	(4.16)	(10.30)	(1.28)	21.85
	Total Timing Differences	**(8.32)**	**3.21**	**(9.17)**	**(26.34)**	**(5.28)**
F	**Net Adjustments (D+E)**	**(252.04)**	**3.88**	**(422.55)**	**(656.22)**	**(35.26)**
G	**Tax Expense/ savings thereon (FxB (Normal Income))**	**(87.23)**	**1.34**	**(143.63)**	**(223.05)**	**(11.43)**
H	**Tax Liability (C+G)**	**122.41**	**92.80**	**200.10**	**123.70**	**136.59**

Notes:

1. The aforesaid Statement of Tax Shelter has been prepared as per the restated summary statement of profit and losses of the Company.
2. The above statement should be read with the Summary of Significant Accounting Policies and Notes to the Restated Standalone Financial information, appearing in Annexure V; and statement on Adjustments to Standalone Financial Statements, appearing in Annexure IV.
3. Income tax rate includes applicable surcharge, education cess and higher education cess of the year concerned.

Deloitte Haskins & Sells LLP

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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF INDIABULLS VENTURES LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **INDIABULLS VENTURES LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the Quarter ended June 30, 2017 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting standard 25 for "Interim Financial Reporting" ("AS 25"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Holding Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3. The Statement includes the results of the following entities:

   i. Indiabulls Ventures Limited
   ii. Indiabulls Commodities Limited
   iii. India Ethanol and Sugar Limited
   iv. Positive Housings Private Limited
   v. Indiabulls Investment Advisors Ltd (formerly known as Indiabulls Brokerage Limited)
   vi. IVL Finance Limited (formerly known as Shivshakti Financial Services Limited)
   vii. Indiabulls Distribution Services Limited
   viii. Pushpanjli Finsolutions Limited
   ix. Astraea Constructions Limited
   x. Astible Builders Limited
   xi. Auxesia Soft Solutions Limited
   xii. Indiabulls Alternate Investments Limited
   xiii. Silenus Buildtech Limited
   xiv. Devata Tradelink Limited
   xv. Arbutus Constructions Limited
   xvi. Gyansagar Buildtech Limited

DHL

xvii. Pushpanjli Fincon Limited
xviii. Indiabulls Consumer Products Limited
xix. Indiabulls Asset Reconstruction Company Limited
xx. Indiabulls Infra Resources Limited
xxi. Indiabulls Logistics Limited

4. Based on our review conducted as stated above and based on the consideration of the review reports of other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We did not review the interim financial information of Twenty subsidiaries included in the consolidated unaudited financial results, whose interim financial information reflect total revenues of Rs. 17,243.26 lakhs for the Quarter ended June 30, 2017, and total profit after tax of Rs. 6,029.83 lakhs for the Quarter ended June 30, 2017, as considered in the consolidated unaudited financial results. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our report on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A.Siddharth
Partner
(Membership No. 31467)

MUMBAI, July 25, 2017

Indiabulls Ventures Limited

(CIN: L74999DL1995PLC069631)

Unaudited Consolidated Financial Results

for the quarter ended June 30, 2017

Amount Rs. in Lakhs

Statement of Consolidated Unaudited Financial Results for the quarter ended June 30, 2017

	Particulars	Quarter ended			Year ended
		30.06.17 (Unaudited)	31.03.17 (Unaudited)	30.06.16 (Unaudited)	31.03.17 (Audited)
1	**Revenue**				
	a) Revenue from operations	16,587.88	11,769.16	10,008.48	40,934.38
	b) Other income	634.60	8,430.61	153.64	9,976.91
	Total revenue	**17,222.48**	**20,199.77**	**10,162.12**	**50,911.29**
2	**Expenses**				
	a) Operating expenses	1,161.58	559.57	559.46	2,727.31
	b) Employee benefits expense	2,430.18	2,161.98	2,022.09	8,952.53
	c) Finance costs	2,261.28	2,900.25	3,592.69	13,861.95
	d) Depreciation and amortisation expense	148.82	534.61	579.90	2,383.13
	e) Other expenses	4,817.33	5,026.85	1,002.82	8,393.74
	Total expenses	**10,819.19**	**11,183.26**	**7,756.96**	**36,318.66**
3	Profit from ordinary activity before Exceptional Items (1-2)	6,403.29	9,016.51	2,405.16	14,592.63
4	Exceptional Items	-	-	-	-
5	**Profit from Ordinary Activities before tax (3-4)**	**6,403.29**	**9,016.51**	**2,405.16**	**14,592.63**
6	Tax expense				
	a) Current tax (net of MAT credit entitlement)	1,612.44	3,539.82	366.13	4,439.25
	b) (Excess) / Short provision for tax relating to prior years	-	(2.52)	-	13.71
	c) Deferred tax	(236.71)	73.13	(2.54)	(85.50)
	Total Tax Expense	**1,375.73**	**3,610.43**	**363.59**	**4,367.46**
7	**Net Profit from Ordinary Activities after tax (5-6)**	**5,027.56**	**5,406.08**	**2,041.57**	**10,225.17**
8	Extraordinary Items (net of tax expense Rs. Nil)	-	-	-	-
9	**Net Profit for the period / year (7-8)**	**5,027.56**	**5,406.08**	**2,041.57**	**10,225.17**
10	Share of Profit of Associates (Net)	-	-	-	-
11	Minority Interest	-	-	-	-
12	**Net Profit after tax, Share of Profit of Associates (net) and Minority Interest (9+10-11)**	**5,027.56**	**5,406.08**	**2,041.57**	**10,225.17**
13	Paid-up Equity Share Capital (Face Value of Rs. 2/- per Equity Share)	8,847.82	6,404.14	5,857.39	6,404.14
14	Reserves excluding Revaluation Reserves as per Balance Sheet				38,405.68
15	Minority Interest	-	-	-	-
16	Earnings per Share (EPS) before extraordinary items (Face Value of Rs. 2/- per Equity Share) *(EPS for the quarters not annualised)				
	- Basic (Amount in Rs.)	1.30 *	1.80 *	0.70 *	3.47
	- Diluted (Amount in Rs.)	1.19 *	1.64 *	0.69 *	3.28
	Earnings per Share (EPS) after extraordinary items (Face Value of Rs. 2/- per Equity Share) *(EPS for the quarters not annualised)				
	- Basic (Amount in Rs.)	1.30 *	1.80 *	0.70 *	3.47
	- Diluted (Amount in Rs.)	1.19 *	1.64 *	0.69 *	3.28
17	**Items exceeding 10% of Total Expenditure**				
	Commission	839.40	237.81	350.55	1,706.88
	Contingent provisions for loan assets / loan assets written off	1,291.62	3,694.32	-	4,144.32
	Bad debts / loans and advances written off	2,661.84	94.82	-	183.66

Notes to the Financial Results:

1 Indiabulls Ventures Limited ('IBVL', 'the Company') conducts its operations along with its subsidiaries. The Consolidated financial statements are prepared in accordance with the principles and procedures for the preparation and presentation of Consolidated Accounts as set out in the Accounting Standard (AS 21) specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder. The financial statements of the parent Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, transactions and resulting unrealised gains / losses. The Consolidated Financial Statements are prepared by applying uniform accounting policies.

2 The consolidated financial results of Indiabulls Ventures Limited ('IBVL', 'the Company') for the quarter ended June 30, 2017 have been reviewed by the Audit Committee and subsequently approved at the meeting of the Board of Directors held on July 25, 2017. The consolidated financial results have been subjected to a limited review by the Statutory Auditors of the Company.

3 Figures of quarter ended March 31, 2017 are the balancing figures between audited figures of the Company in respect of the full financial year and the published unaudited year to date figures upto nine months ended December 31, 2016.

4 The results for the quarter ended June 30, 2017 are not comparable with those for the quarter ended June 30, 2016 as the figures in respect of the quarter ended June 30, 2017 also include figures of four newly incorporated / acquired subsidiaries post June 30, 2016. Further, figures for the quarter ended June 30, 2017 doesn't include figures with respect to one subsidiary company which was disposed off in previous quarter.

5 **Segment Results** **Amount Rs. in Lakhs**

	Particulars	Quarter ended			Year ended
		30.06.17 (Unaudited)	**31.03.17 (Unaudited)**	**30.06.16 (Unaudited)**	**31.03.17 (Audited)**
1	**Segment Revenue**				
	Broking & related activities	7,809.61	6,188.86	8,263.46	29,445.25
	Lease Rentals & related activities	-	1,581.25	1,613.72	6,740.14
	Financing & related activities	6,057.59	3,965.18	122.15	4,603.06
	Others	2,720.68	33.87	9.15	145.93
	Total	**16,587.88**	**11,769.16**	**10,008.48**	**40,934.38**
	Less: Inter Segment Revenue	-	-	-	-
	Income from Operations	**16,587.88**	**11,769.16**	**10,008.48**	**40,934.38**
2	**Segment Results**				
	Profit before Tax and Interest Expense				
	Broking & related activities	3,779.23	2,840.13	4,914.93	15,116.81
	Lease Rentals & related activities	-	1,618.94	907.13	4,565.38
	Financing & related activities	4,358.41	304.94	106.30	1,243.18
	Total	**8,137.64**	**4,764.01**	**5,928.36**	**20,925.37**
	(i) Less: Interest Expense	2,223.80	2,916.56	3,520.08	13,568.79
	(ii) Add / (Less): Other unallocable income / (expenditure) net off unallocable expenditure / income	489.45	7,169.06	(3.12)	7,236.05
	Total Profit Before Tax	**6,403.29**	**9,016.51**	**2,405.16**	**14,592.63**
3	**Segment Assets**				
	Broking & related activities	126,228.81	111,956.94	119,390.11	111,956.94
	Lease Rentals & related activities	-	6,720.35	72,005.82	6,720.35
	Financing & related activities	93,611.99	4,975.43	6,353.73	4,975.43
	Unallocable segment assets	39,602.60	97,884.31	12,050.03	97,884.31
	Total	**259,443.40**	**221,537.03**	**209,799.69**	**221,537.03**
4	**Segment Liabilities**				
	Broking & related activities	114,954.28	96,663.80	95,829.87	96,663.80
	Lease Rentals & related activities	-	5,000.00	71,256.30	5,000.00
	Financing & related activities	1,909.91	239.39	32.39	239.39
	Unallocable segment liabilities	14,425.33	73,076.33	7,767.97	73,076.33
	Total	**131,289.52**	**174,979.52**	**174,886.53**	**174,979.52**
5	**Capital Employed (Segment Assets - Segment Liabilities)**				
	Broking & related activities	11,274.53	15,293.14	23,560.24	15,293.14
	Lease Rentals & related activities	-	1,720.35	749.52	1,720.35
	Financing & related activities	91,702.08	4,736.04	6,321.34	4,736.04
	Unallocable Capital Employed	25,177.27	24,807.98	4,282.06	24,807.98
	Total	**128,153.88**	**46,557.51**	**34,913.16**	**46,557.51**

6 Figures for the prior period / year have been regrouped and / or reclassified wherever considered necessary to conform to the current period presentation.

Deloitte Haskins & Sells LLP

Chartered Accountants
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Tower 3, 27th-32nd Floor,
Senapati Bapat Marg,
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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF INDIABULLS VENTURES LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **INDIABULLS VENTURES LIMITED** ("the Company"), for the Quarter ended June 30, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Accounting standard 25 for "Interim Financial Reporting" ("AS 25"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. Siddharth
Partner
(Membership No. 31467)

MUMBAI, 25th July, 2017

Indiabulls Ventures Limited (as standalone entity)
(CIN: L74999DL1995PLC069631)
Unaudited Standalone Financial Results
for the quarter ended June 30, 2017

Amount Rs. in Lakhs

Statement of Standalone Unaudited Financial Results for the quarter ended June 30, 2017

	Particulars	Quarter ended			Year ended
		30.06.17 (Unaudited)	31.03.17 (Unaudited)	30.06.16 (Unaudited)	31.03.17 (Audited)
1	a) Revenue from operations	2,730.50	2,742.42	1,776.80	8,359.89
	b) Other income	1,371.30	2,267.40	2,551.33	6,781.92
	Total revenue	**4,101.80**	**5,009.82**	**4,328.13**	**15,141.81**
2	**Expenses**				
	a) Operating expenses	302.85	309.94	194.81	959.98
	b) Employee benefits expense	853.27	792.44	463.67	2,677.13
	c) Finance costs	1,142.53	1,055.24	987.26	4,341.46
	d) Depreciation and amortisation expense	33.62	30.61	47.61	162.27
	e) Other expenses	281.72	403.43	204.65	1,073.19
	Total expenses	**2,613.99**	**2,591.66**	**1,898.00**	**9,214.03**
3	Profit from ordinary activity before Exceptional Items (1-2)	1,487.81	2,418.16	2,430.13	5,927.78
4	Exceptional Items	-	-	-	-
5	**Profit from Ordinary Activities before tax (3-4)**	**1,487.81**	**2,418.16**	**2,430.13**	**5,927.78**
6	**Tax expense**				
	a) Current tax (net of MAT credit entitlement)	127.79	511.00	339.00	1,224.00
	b) Short provision for tax relating to prior years	-	-	-	7.24
	c) Deferred tax	(249.18)	(9.11)	(1.21)	(12.76)
	Total Tax (Credit) / Expense	**(121.39)**	**501.89**	**337.79**	**1,218.48**
7	**Net Profit from Ordinary Activities after tax (5-6)**	**1,609.20**	**1,916.27**	**2,092.34**	**4,709.30**
8	Extraordinary Items (net of tax expense Rs. Nil)	-	-	-	-
9	**Net Profit for the period / year (7-8)**	**1,609.20**	**1,916.27**	**2,092.34**	**4,709.30**
10	Paid-up Equity Share Capital (Face Value of Rs. 2 per Equity Share)	8,847.82	6,404.14	5,857.39	6,404.14
11	Reserves excluding Revaluation Reserves as per Balance Sheet				20,416.68
12	Earnings per Share (EPS) before extraordinary items (Face Value of Rs. 2/- per Equity Share)				
	*(EPS for the quarters not annualised)				
	- Basic (Amount in Rs.)	0.42 *	0.64 *	0.71 *	1.60
	- Diluted (Amount in Rs.)	0.38 *	0.58 *	0.71 *	1.51
	Earnings per Share (EPS) after extraordinary items (Face Value of Rs. 2/- per Equity Share)				
	*(EPS for the quarters not annualised)				
	- Basic (Amount in Rs.)	0.42 *	0.64 *	0.71 *	1.60
	- Diluted (Amount in Rs.)	0.38 *	0.58 *	0.71 *	1.51

Notes to the Financial Results:

1 The standalone financial results of Indiabulls Ventures Limited ('IBVL', 'the Company') for the quarter ended June 30, 2017 have been reviewed by the Audit Committee and subsequently approved at the meeting of the Board of Directors held on July 25, 2017. The standalone financial results have been subjected to a limited review by the Statutory Auditors of the Company.

2 Figures of quarter ended March 31, 2017 are the balancing figures between audited figures of the Company in respect of the full financial year and the published unaudited year to date figures upto nine months ended December 31, 2016.

3 The Company has one reportable business segment i.e. “Broking & related activities” and operates in one geographical segment, i.e. “within India”. Hence, no separate information for segment wise disclosure is given in accordance with the requirements of Accounting Standard (AS) 17 - "Segment Reporting".

4 During the current quarter, pursuant to and in terms of shareholders’ approval dated April 25, 2017 and in terms of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended, the Company, on April 28, 2017, has issued and allotted an aggregate of 33,800,000 (Three crore thirty eight lakhs) warrants, convertible into equivalent number of equity shares of face value of Rs. 2 each at a conversion price of Rs. 43.75 (including a premium of Rs.41.75) per equity share, to certain promoter group entities of the Company and 25% of conversion price aggregating to Rs. 3,696.88 Lakhs has been received upfront by the Company from the respective allottees and the same has been utilized in accordance with the objects of the issue. These warrants are convertible into an equivalent number of Equity Shares of face value of Rs. 2/- each of the Company, upon payment of balance 75% of conversion price, within a period of eighteen months from the date of allotment of these Warrants.

5 During the current quarter, pursuant to and in terms of shareholders’ approval dated May 6, 2017 and in terms of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended, the Company, on May 10, 2017, has issued and allotted an aggregate of 38,865,582 (Three crores eighty eight lakhs sixty five thousand five hundred eighty two) fully paid up equity shares of face value of Rs. 2/- each of the Company, at an issue price of Rs. 58.40 (including a premium of Rs. 56.40) per equity share, to Cinnamon Capital Limited, a Category III foreign portfolio investor registered with the Securities and Exchange Board of India. Consequent to the said allotment, the paid-up Equity Share Capital of the Company stands increased from Rs. 707,713,840 divided into 353,856,920 Equity Shares of face value of Rs. 2/- each to Rs. 785,445,004 divided into 392,722,502 equity shares of face value of Rs. 2/- each.

6 During the current quarter, upon exercise of stock options, vested in terms of 'Indiabulls Ventures Limited Employees Stock Option Scheme - 2008' and 'Indiabulls Ventures Limited Employees Stock Option Scheme - 2009', by the eligible employees, the Company on May 15, 2017 issued and allotted an aggregate of 519,900 (Five lakhs nineteen thousand nine hundred) Equity Shares of face value Rs. 2/- each. Consequent to the said allotment, the paid-up Equity Share Capital of the Company stands increased from Rs. 785,445,004 divided into 392,722,502 Equity Shares of face value of Rs. 2/- each to Rs. 786,484,804/- divided into 393,242,402 Equity Shares of face value of Rs. 2/- each.

7 During the current quarter, pursuant to and in terms of shareholders’ approval dated May 22, 2017 and in terms of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended, the Company, on June 6, 2017, has issued and allotted an aggregate of 47,390,000 (Four crores seventy three lakhs ninety thousand) fully paid up equity shares of face value of Rs. 2/- each of the Company, at an issue price of Rs. 94.70 (including a premium of Rs. 92.70) per equity share, to Tamarind Capital Pte Ltd, a company incorporated in Singapore. Consequent to the said allotment, the paid-up Equity Share Capital of the Company stands increased from Rs. 786,484,804/- divided into 393,242,402 Equity Shares of face value of Rs. 2/- each to Rs. 881,264,804 divided into 440,632,402 Equity Shares of face value of Rs. 2/- each.

8 During the current quarter, upon exercise of stock options, vested in terms of 'Indiabulls Ventures Limited Employees Stock Option Scheme - 2008' and 'Indiabulls Ventures Limited Employees Stock Option Scheme - 2009', by the eligible employees, the Company on June 20, 2017 issued and allotted an aggregate of 1,758,600 (Seventeen lakhs fifty eight thousand six hundred) Equity Shares of face value Rs. 2/- each. Consequent to the said allotment, the paid-up Equity Share Capital of the Company stands increased from Rs. 881,264,804/- divided into 440,632,402 Equity Shares of face value of Rs. 2/- each to Rs. 884,782,004/- divided into 442,391,002 Equity Shares of face value of Rs. 2/- each.

9 During the current quarter, the Company has acquired 100% equity share capital of IVL Finance Limited (formerly Shivshakti Financial Services Limited) from Indiabulls Distribution Services Limited (a wholly owned subsidiary of the Company). The Company has further invested Rs. 50,276.59 lakhs in the equity capital of IVL Finance Limited.

10 During the current quarter, the Company has further invested Rs. 5,000.00 lakhs in the equity shares of Indiabulls Asset Reconstruction Company Limited, a wholly owned subsidiary of the Company.

11 Figures for the prior period / year have been regrouped and / or reclassified wherever considered necessary to conform to the current period presentation.

Registered Office: M - 62 & 63, 1st Floor, Connaught Place, New Delhi 110 001.

For and on behalf of Board of Directors

Place : Mumbai
Date : July 25, 2017

Divyesh B. Shah
CEO & Whole-time Director

MATERIAL DEVELOPMENTS

There have been no developments since March 31, 2017 which affect the operations, performance, prospects or financial condition of our Company or any circumstances that materially or adversely affect or likely to affect or the value of our assets or our ability to fulfil our obligation to pay our lenders and other material liabilities within the next twelve months.

Recent Developments

1. Indiabulls Asset Reconstruction Company Limited, a wholly owned subsidiary of our Company, has been granted the certificate of registration by the RBI under section 3 of the SARFAESI Act, 2002 on May 19, 2017.

2. Our Company acquired 100% equity shareholding of IVLFL from IDSL on May 19, 2017.

3. The networth of IVLFL was increased to ₹10,000 million on June 7, 2017, pursuant to capital investments from our Company.

4. Sameer Gehlaut, Gagan Banga, Pinank Jayant Shah, Vijayalakshmi Rajaram Iyer, Shyam Lal Bansal and Alok Kumar Misra were appointed as additional directors on the Board of our Company pursuant to the Board meeting dated August 28, 2017 and will be regularised as Directors on the Board of our Company subject to approval of Shareholders at the AGM of our Company proposed to be held on September 29, 2017.

5. Appointment of Pinank Jayant Shah as chief executive officer of IVL Finance Limited on June 19, 2017.

6. Preferential allotment of Equity Shares pursuant to conversion of warrants to Orthia Constructions Private Limited, Zelkova Builders Private Limited, and Divyesh Shah on April 10, 2017. Preferential allotment of Equity Shares to Cinnamon Capital Limited and Tamarind Capital Pte. Limited on May 10, 2017 and June 6, 2017, respectively. For details, please see "*Capital Structure*" on page 83.

7. Pursuant to the approval of the Shareholders at the AGM proposed to be held on September 29, 2017, the borrowing powers of our Board of Directors will be increased from ₹20,000 million to ₹ 50,000 million. For details, see "*Our Management*" on page 183.

8. The Board of Directors of our Company pursuant to their meeting dated August 28, 2017, approved the reclassification and increase of the authorised share capital of our Company from ₹1,115,250,000 divided into 500,000,000 Equity Shares and 25,000,000 Preference Shares to ₹2,000,000,000 divided into 1,000,000,000 Equity Shares, subject to approval of the Shareholders at the AGM proposed to be held on September 29, 2017.

9. Pursuant to shareholders resolution dated September 25, 2017, the authorised share capital of IVLFL increased to ₹640 million divided into 58,500,000 equity shares of face value of ₹10 each and 5,500,000 preference shares of face value of ₹10 each.

10. Pursuant to shareholders resolution dated September 25, 2017, the authorised share capital of IARCL increased to ₹750 million divided into 75,000,000 equity shares of face value of ₹10 each.

11. On September 1, 2017, Punjab and Sind Bank sanctioned a term loan facility of ₹5,000 million to IVLFL, which is secured by a first *pari passu* charge over receivables and other assets and a corporate guarantee by our Company. The tenor of the facility is five years. As of September 28, 2017, ₹5,000 million was outstanding under the facility.

12. On September 11, 2017, RBL Bank sanctioned a term loan facility of ₹1,750 million to IVLFL, which is secured by a first *pari passu* charge over loans and advances, receivables and current assets and a corporate guarantee by our Company. The tenor of the facility is 3.3 years. As of September 28, 2017, ₹1,750 million was outstanding under the facility.

13. On September 11, 2017, RBL Bank sanctioned a term loan facility of of ₹250 million to IVLFL, which is secured by a first *pari passu* charge over receivables and other assets and a corporate guarantee by our Company. The tenor of the facility is 12 months. As of September 28, 2017, there is no amount outstanding under the facility.

14. On August 18, 2017, Syndicate Bank sanctioned a term loan facility of ₹1,000 million to IVLFL, which is secured by a first *pari passu* charge over receivables and other assets and a corporate guarantee by our Company. The tenor of the facility is five years. As of September 28, 2017, ₹1,000 million was outstanding under the facility.

15. On September 26, 2017, RBL Bank sanctioned a term loan facility of of ₹500 million to IVLFL, which is secured by a first *pari passu* charge over receivables and other assets and a corporate guarantee by our Company. The tenor of the facility is 39 months. As of September 28, 2017, ₹500 million was outstanding under the facility.

16. On September 28, 2017, Vijaya Bank sanctioned a term loan facility of ₹3,000 million to IVLFL, which is secured by first *pari passu* charge over receivables and other assets and a corporate guarantee by our Company. The tenor of the facility is five years from the date of first disbursement. As of September 28, 2017, there is no amount outstanding under the facility.

17. On September 28, 2017, Indian Overseas Bank sanctioned a term loan facility of ₹3,000 million to IVLFL, which is secured by first *pari passu* charge over receivables and other assets and a corporate guarantee by our Company. The tenor of the facility is five years from the date of first disbursement. As of September 28, 2017, there is no amount outstanding under the facility.

18. On September 28, 2017, Laxmi Vilas Bank sanctioned a term loan facility of ₹1,500 million to IVLFL, which is secured by first *pari passu* charge over receivables and other assets and a corporate guarantee by our Company. The tenor of the facility is 19 months from the date of first disbursement. As of September 28, 2017, there is no amount outstanding under the facility.

19. On September 28, 2017, Laxmi Vilas Bank sanctioned a term loan facility of ₹1,500 million to our Company, which is secured by first *pari passu* charge over receivables and other assets. The tenor of the facility is 19 months from the date of first disbursement. As of September 28, 2017, there is no amount outstanding under the facility.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 18 for a discussion of the risks and uncertainties related to such statements and also "Risk Factors" on page 19 for a discussion of certain factors that may affect our business, financial condition and results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Statements for Fiscal 2013, 2014, 2015, 2016 and 2017 included in this Draft Letter of Offer. For further information, see "Financial Statements" on page 216.

We acquired ILPL, a real estate development company with effect from November 18, 2014, and sold ILPL with effect from March 16, 2017. Our Restated Consolidated Financial Statements included in this Draft Letter of Offer therefore reflects the business and results of operations of ILPL for the period between November 18, 2014 and March 16, 2017, and will not be comparable to our results of operations prior to the acquisition of, or subsequent to the disposal of, ILPL. Accordingly, our future financial condition and results of operations will not be comparable to our historical financial condition and results of operations during the period we owned ILPL.

In this section, unless the context otherwise requires, a reference to "our Company" is a reference to Indiabulls Ventures Limited on a standalone basis, while any reference to "we", "us" or "our" is a reference to Indiabulls Ventures Limited on a consolidated basis.

Overview

Indiabulls Ventures Limited is a financial services company engaged in providing securities and derivative broking services, in addition to the lending business carried out by its subsidiary IVL Finance Limited ("IVLFL"). Our Company was incorporated in 1995 and its longstanding presence in financial services has enabled us to establish "Indiabulls" as a recognized brand in the financial services sector. The Company's equity shares are listed on The National Stock Exchange of India Limited and BSE Limited and its Global Depository Receipts are listed on the Luxembourg Stock Exchange.

Our primary business verticals include our brokerage services business and other advisory services, and our lending business. We are also in the process of commencing operations of our asset reconstruction business through our wholly-owned subsidiary Indiabulls Asset Reconstruction Company Limited.

Brokerage Services. Our brokerage activities include equity, debt, derivative and currency trading, as well as equity research analysis, which are carried out on our trading platforms. Our online trading platform "Power Indiabulls" is an in-house developed specialized advanced trading platform that interfaces with the stock exchanges on a satellite-based network. We also operate a corresponding mobile variant "Mobile Power Indiabulls", that supports our brokerage activities. "Power Indiabulls" and "Mobile Power Indiabulls" provide enhanced trade execution on an integrated software based trading platform. Our Company has also recently been granted a category I merchant banking license from SEBI for the purpose of carrying out certain merchant banking activities.

Lending Business. Our lending business is carried out by IVL Finance Limited, a wholly owned subsidiary of our Company, registered as a non-banking finance company ("NBFC") with the Reserve Bank of India ("RBI"). Our lending business focuses on personal, business and other loans, and we are in the process of setting up a mobile based application "Dhani", an automated mode of lending which will enable loan application, risk analysis, credit approval, underwriting and disbursal processes to be carried out electronically through the application. As we continue to further expand our lending operations, we have infused ₹ 10 billion in the form of equity in IVLFL for this purpose.

Asset Reconstruction. We have set-up an asset reconstruction company, Indiabulls Asset Reconstruction Company Limited ("IARCL"), as a wholly owned subsidiary of our Company. IARCL was granted a certificate of registration from the RBI on May 19, 2017, to commence the business of securitization or asset reconstruction. We have recently infused equity capital of ₹ 1 billion in IARCL.

Real Estate Brokerage Services. This business is carried out by our subsidiary Indiabulls Investment Advisors Limited, an entity registered with relevant real estate regulatory authorities across various states in India, and primarily comprises real estate broking services.

We acquired India Land and Properties Limited ("ILPL"), a real estate development company with effect from November 18, 2014, and sold ILPL with effect from March 16, 2017. Our Restated Consolidated Financial Statements included in this Draft Letter of Offer therefore reflects the business and financial performance of ILPL for the period between November 18, 2014 and March 16, 2017. ILPL generates lease income primarily from commercial properties it owns in Chennai, India.

In Fiscal 2015, 2016 and 2017, our profit after tax was ₹ 1,471.46 million, ₹ 735.41 million and ₹ 1,244.88 million, respectively, and profit after tax (on a standalone basis) was ₹ 1,150.98 million, ₹ 170.56 million and ₹ 481.09 million, respectively.

Recent Developments

Sale of India Land & Properties Limited

We acquired India Land & Properties Limited ("ILPL"), a real estate development company, through our wholly-owned subsidiary Indiabulls Distribution Services Limited ("IDSL") with effect from November 18, 2014. We subsequently sold ILPL with effect from March 16, 2017. Our Restated Consolidated Financial Statements included in this Draft Letter of Offer therefore reflects the business and results of operations of ILPL for the period between November 18, 2014 and March 16, 2017.

Accordingly, our assets and liabilities as of March 31, 2015 and as of March 31, 2016 reflected in our Restated Consolidated Financial Statements is not comparable with our assets and liabilities reflected in our Restated Consolidated Financial Statements either prior to the acquisition of, or subsequent to the disposal of, ILPL. Similarly our Restated Consolidated Financial Statements reflects the business and operations of ILPL for the period between November 18, 2014 and March 16, 2017, and our results of operations during such period is not comparable to our results of operations prior to the acquisition of, or subsequent to the disposal of, ILPL. Accordingly, our future financial condition and results of operations will not be comparable to our historical financial condition and results of operations during the period we owned ILPL. Potential investors are therefore cautioned against placing undue reliance on any discussions relating to the business operations and the effect of the business of ILPL on our historical financial performance as discussed in the sections "*Our Business*" and "*Risk Factors – We acquired ILPL through our subsidiary Indiabulls Distribution Services Limited with effect from November 18, 2014, which we subsequently sold with effect from March 16, 2017. Our Restated Consolidated Financial Statements during this period will not be comparable to our results of operations prior to the acquisition of, or subsequent to the disposal of, ILPL*" on page 139 and 20, respectively, of this Draft Letter of Offer.

This Draft Letter of Offer does not include any pro forma profit and loss statement or balance sheet prepared in accordance with the laws and regulations of the United States or any other jurisdiction, which would have shown the effect of the disposition of ILPL with effect from March 16, 2017. Investors will therefore need to base their assessment of our financial condition and results of operations subsequent to the disposition of ILPL on the basis of the disclosures on the financial information of ILPL included in our Restated Consolidated Financial Statements and the discussions contained herein.

Announcement of Unaudited Consolidated and Standalone Financial Results for the quarter ended June 30, 2017

Pursuant to a meeting of our Board of Directors on July 25, 2017, we have adopted and filed with the stock exchanges on July 25, 2017, the unaudited consolidated and standalone financial results for the quarters ended June 30, 2016 and June 30, 2017, subjected to a limited review by our statutory auditors. For further information, see "*Management Discussion and Analysis of Financial Condition and Results of Operations - Management Discussion and Analysis of Results of Operations of the Unaudited Consolidated Financial Statements for the quarter ended June 30, 2017*" and "*Financial Information*" on pages 335 and 216 of this Draft Letter of Offer.

Introduction of Ind-AS and Impact on Preparation and Presentation of our Historical and Future Financial Statements

We will be required to prepare annual and interim financial statements under Indian Accounting Standard 101 "First-time Adoption of Indian Accounting Standards" ("Ind-AS") with effect from April 1, 2018, with corresponding periods in the previous fiscal year. We currently prepare our annual and interim financial statements under Indian GAAP. Given that Ind-AS differs in many respects from Indian GAAP, our financial statements relating to any period subsequent to April 1, 2018 (and for any prior corresponding periods in the previous fiscal year) may not be comparable to our historical financial statements prepared under Indian GAAP.

Owing to a lack of precedents we have not determined with any degree of certainty the impact of the adoption of Ind AS on our financial statements. However, we know that the Ind AS will change our methodology for certain items of financials. Accordingly, our financial statements for the period commencing from April 1, 2018 may not be comparable to our historical financial statements and our financial statements for the year ended March 31, 2017 prepared under Indian GAAP may not be comparable to our financial statements for the year ended March 31, 2017 prepared under Ind AS for comparison purposes.

FACTORS AFFECTING RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Growth of our lending business

We have identified our lending business as one of our key focus areas to expand our presence in the financial sector. We believe we are well placed to expand our lending business, through the acquisition of new customers, providing a convenient experience to customers and offering differentiated solutions to meet the specific needs of particular customer demographics. In order to expand our lending business, we have also infused ₹ 10 billion in the form of equity funding into IVLFL, our subsidiary that is a registered NBFC with the RBI.

As part of our strategy to focus on our lending business, we intend to customize and introduce new loan products and evaluate other financing opportunities. We also intend to improve our lending processes and distribution channels through IVLFL. We are currently in the process of implementing an easy-to-use product accessible on mobile platforms through an application named "Dhani". This is a customized platform for loan origination and credit underwriting. Through such mobile application platform, customers will be able to apply for the loan, receive loan decision within a relatively short period of time, and organize loan disbursement, all through such automated mobile application platform. We expect a significant part of our personal loans business in the future to be developed through the "Dhani" mobile application platform. Funds will typically be available shortly after processing the application and sanctioning the loan amount, with direct credit of funds to the customer's bank account.

We believe that such customer service initiatives coupled with the use of technology will allow us to increase our presence in the lending market and secure both new and repeat business in our lending operations. That said, growth prospects in the lending business can be affected by a wide variety of factors including competition from other online and traditional lenders, regulatory limitations on the products we can offer and markets we can serve, other changes in the regulations of our lending business, access to important marketing channels including TV and mass media, search engine marketing and strategic partnerships with affiliates, changes in consumer behavior, access to adequate financing, increasingly sophisticated fraudulent borrowing and online theft, challenges with new products and new markets, and fluctuations in the credit markets and demand for credit. An inability to scale up our infrastructure and management to meet the challenges associated with expanding our lending business could cause disruptions to our operations and adversely affect our results of operations and financial condition.

Success of our asset reconstruction business

The Indian banking sector has been subject to the problem of stressed assets which has significantly worsened in recent years. Given the rise in NPA volumes in the banking sector and the corresponding pressure on the banking industry to maintain adequate capital, we intend to expand our presence in the financial services sector with our asset reconstruction business, by leveraging the "Indiabulls" brand to negotiate transactions on purchasing NPAs and stressed assets. We intend to actively engage in this business through an entity set up specifically for this venture, and have also infused ₹ 1 billion towards the ARC business in the form of equity. Our subsidiary, Indiabulls Asset Reconstruction Company Limited, has recently received a certificate of registration from the RBI to commence the business of securitization or asset reconstruction. We anticipate that our longstanding presence in the financial services industry will provide the necessary thrust to our ARC business as well. We have appointed an experienced senior management team to lead this business, headed by a CEO with over two decades of experience in the financial services industry and considerable expertise in the distressed asset business in India. Our success in carrying out our ARC business, depends on various factors, including availability of stressed assets during phases of economic growth, overall improvement in bank asset quality due to a boost in the Indian economy, competition from established ARCs in India, regulatory limitations on the manner in which ARCs may conduct operations, and the regulatory framework for banks and financial institutions, in particular the recently enacted Insolvency and Bankruptcy Code, 2016, that determine the manner of dealing with stressed assets. If we do not successfully establish our reputation and brand image in this line of business, our financial condition and results of operations could be materially and adversely affected.

Interest rate volatility

As we grow our lending business, changes in interest rates are expected to have significant impact on our business and operations. Finance costs are dependent on various external factors, including Indian and global credit markets and, in particular, interest rate movements and adequate liquidity in the debt markets. Changes in RBI repo rates could affect the interest charged on interest-earning assets and the interest rates paid on interest-bearing liabilities. Adverse conditions in the global and Indian economy resulting from economic dislocations or liquidity disruptions may adversely affect availability of credit, and decreased liquidity may lead to an increase in interest rates.

Interest rates have a substantial effect on our cost of funding, our business volumes and our profit margins. Declining interest rates may lead to increased prepayments and repricing of our loans as borrowers seek to take advantage of the more attractive interest rate environment to reduce their borrowing costs. Declining interest rates may also lead to a greater demand for additional borrowings as business owners seek to take advantage of lower interest rates, resulting in an increase in volume of lending business. Conversely, when interest rates rise, there are typically less prepayments and less pressure to reprice loans; there is also less demand for new funds, resulting in a decrease in volume of our financing activities. In a rising interest rate scenario, our profit margins are therefore primarily dependent on our ability to attract new business, either through existing customers or new customers, than it is in a declining interest rate scenario. In addition, changes in interest rates also affect the interest rates we pay on our interest-bearing liabilities. Varying maturity periods applicable to our interest-bearing assets and interest-bearing liabilities and a consequent change in interest rates may result in an increase in interest expense relative to interest income leading to a reduction in our interest income from our lending business.

Trading volumes and volatility

Our trading volumes are particularly dependent on our clients' demand for exchange-traded products, which relate to interest rates, equities, currencies and commodities. Demand for these products is driven by a number of factors, including the degree of volatility of the market prices of the underlying assets, that is, the extent to which and how rapidly those prices change during a given period. Higher price volatility increases the need for some clients to manage price risk and creates opportunities for speculative trading for others. While higher prices do not necessarily lead to increases in trading volumes, changes in the absolute price levels of financial assets or commodities can have a significant impact on trading volumes. In recent years, volatility in the primary markets in which we operate has been relatively high and has contributed to rising client trading volumes and thus rising revenues.

The global derivatives sector of our industry has experienced rapid growth in recent years based on the volume of exchange-traded derivatives. We believe that the trends driving this growth, such as globalization, the migration to electronic markets, increased asset allocations to derivative products by institutions, hedge funds and other asset managers, the move to commercially oriented business practices at exchanges and market convergence, have contributed to higher volumes of derivatives and cash transactions in many of our trading markets. There can be no assurance that volumes will sustain recent levels.

SIGNIFICANT ACCOUNTING POLICIES

- Basis of Consolidation:

The consolidated financial statements of the Company and its subsidiaries (together the "Group") have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/ Companies Act, 1956 ("the 1956 Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014, as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year. For further information on companies included for the purpose of consolidation, see "*Financial Statements*" on page 216.

- Principles of Consolidation:

  The consolidated financial statements relate to Indiabulls Ventures Limited (the "Company") and its subsidiary companies (together the "Group"). The consolidated financial statements have been prepared on the following basis:

  – The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Company i.e., March 31, 2017 or upto date of disposal of subsidiary companies, if any.

  – The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

  – The consolidated financial statements include the share of profit/ loss of the associate companies which have been accounted for using equity method as per AS 23 Accounting for Investments in Associates in Consolidated Financial Statements. Accordingly, the share of profit/ loss of each of the associate companies (the loss being restricted to the cost of investment) has been added to/ deducted from the cost of investments.

  – Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.

- Goodwill/ Capital Reserve on Consolidation:

  Goodwill/ Capital Reserve represents the difference between the Company's share in the net worth of subsidiaries, and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Company's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital Reserve on consolidation is adjusted against Goodwill on consolidation, if any. The Goodwill on consolidation is evaluated for impairment whenever events or changes in circumstances indicate that its carrying amount may have been impaired. The Goodwill / Capital Reserve is determined separately for each subsidiary company and such amounts are not set off between different entities.

- Investments in Associates:

  Investment in entities in which the Group has significant influence but not a controlling interest are reported according to the Equity method, i.e. the investment is initially recorded at cost, identifying any goodwill/ capital reserve arising at the time of acquisition. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the investor's share of net assets of the investee.

- Use of Estimates:

  The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

- Cash and Cash Equivalents (for purposes of Cash Flow Statement):

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

- Cash Flow Statement:

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

- Revenue Recognition:

  – Revenue from securities and commodities brokerage activities are accounted for on the trade date of the transaction.

  – Income from brokerage and commission on account of cross-selling of real estate products is recognised on an accrual basis when the services are determined to be completed, generally set out under the terms of contract/agreements with respective customers.

  – Income from fee based advisory services and consultancy is recognised on an accrual basis.

  – Income from project management fee is recognised on accrual basis.

  – Interest Income from financing activities and others is recognised on an accrual basis.

  – Income from management fee is recognised on accrual basis in accordance with the SEBI regulations and the respective terms of the contract between the Company and Trustee Company.

  – Lease income from operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the lease term.

  – Maintenance income is accounted on accrual basis upon rendering of services.

  – Revenue from interest charged to customers on margin funding is recognised on a daily/ monthly basis up to the last day of accounting period.

  – Depository income is accounted on an accrual basis as and when the right to receive the income is established. Annual Maintenance charges are recognised pro-rata over the period it is charged.

  – Commission on mutual funds is recognised on an accrual basis.

  – Income from trading account maintenance is accounted on an accrual basis and when the right to receive the income is established.

- Other Income:

  – Revenue from interest on fixed deposits is recognised on an accrual basis.

  – Dividend income on Equity shares is recognised when the right to receive the dividend is unconditional as at the Balance Sheet date.

  – Dividend income on units of mutual funds is recognised when the right to receive the dividend is unconditional as at the Balance Sheet date. Any gains/losses on sale / redemption of units are recognised on the date of sale / redemption.

  – Interest income on Inter-Corporate Deposits is recognised on an accrual basis.

  – Interest income on other deposits is recognised on an accrual basis.

  – Interest income on Non Performing assets (NPA's) is recognised only when it is actually received.

- Stock-in-trade:

  Stock-in-trade comprising of securities held for the purposes of trading is valued at lower of cost and net realizable value. Profit or loss on sale of such securities is determined using the weighted average cost method.

- Commercial Papers:

  The liability is recognised at face value of the commercial paper at the time of issue of the commercial paper. The discount on issue of the commercial paper is amortised over the tenure of the instrument.

- Fixed Assets:

  - Tangible Assets:

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

  - Intangible Assets:

    Intangible assets are stated at cost, net of tax / duty credits availed, if any, less accumulated amortisation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

  - Capital Work in Progress:

    Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

  - Intangible assets under development:

    Expenditure on development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

- Depreciation / Amortisation:

  Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

  Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Leasehold Improvements are amortised over the duration of the lease. Depreciation on sale / deduction from fixed assets is provided for up to the date of sale / deduction / scrapping, as the case may be. Assets costing Rs. 5,000 or less per item are fully depreciated in the year of capitalisation.

  Intangible assets consisting of Membership Rights of the BSE Limited are amortised on a straight-line method basis over a period of five years from the date when the rights became available for use.

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

  The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the change pattern, if any.

- Impairment of Assets:

  The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment, if any indication of impairment exists.

  If the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised for such excess amount.

  The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

  When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the

Statement of Profit and Loss, except in case of revalued assets, to the extent the amount was previously charged to the Statement of Profit & Loss.

- Investments:

  Investments are classified as long-term and current. Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

- Foreign Currency Transactions and Translations:

Recognition & translation

- Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.
- Monetary items denominated in foreign currencies at the year end are translated at year end exchange rates.
- Non monetary foreign currency items are carried at cost.
- Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

Exchange Differences

- Exchange differences arising on a monetary item that in substance, forms part of the Company's net investment in a non-integral foreign operation is accumulated in the Foreign Currency Translation Reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognised as income or as expenses in the same period in which the gain or loss on disposal is recognised.
- The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss except in case of exchange differences arising on net investment in non-integral foreign operations, where such amortisation is taken to "Foreign currency translation reserve" until disposal / recovery of the net investment. The unamortised exchange difference is carried in the Balance Sheet as “Foreign currency monetary item translation difference account” net of the tax effect thereon, where applicable.
- Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortised over the remaining life of the concerned monetary item.
- All other exchange differences are recognised as income or as expenses in the period in which they arise.

- Employee Benefits:

  The Company has a defined contribution plan namely Provident Fund. Annual contribution to the Employees Provident Fund Organisation is charged to the Statement of Profit and Loss. The Company has unfunded / funded defined benefit plans namely gratuity and unfunded defined benefit plan namely long-term compensated absences for all eligible employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using the Projected Unit Credit Method. Actuarial gains / losses comprise experience adjustments and the effects of change in actuarial assumptions and are recognised in the Statement of Profit and Loss as income or expenses as applicable.

- Deferred Employee Stock Compensation Cost:

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

- Taxes on Income:

  Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with the provisions of the Income Tax Act, 1961.

  Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

  Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

  Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

- Leases:

  Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

  Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

- Share Issue Expenses:

  Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the Statement of Profit and Loss.

- Borrowing Costs:

  Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost of the asset. All other borrowing costs are charged to the Statement of Profit and Loss.

- Segment Reporting:

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

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segment on the basis of their relationship to the operating activities of the segments.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/ expenses/ assets / liabilities".

- Provisions and Contingencies:

A provision is recognised when the Company has a present obligation as a result of past events 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. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

- Derivative Contracts:

Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign currency transactions and translations.

- Operating Cycle:

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Results of Operations

The following table sets forth certain information with respect to our total revenue for the periods indicated:

	Fiscal 2015		**Fiscal 2016**		**Fiscal 2017**	
	Amount	**Percentage of Total Revenue**	**Amount**	**Percentage of Total Revenue**	**Amount**	**Percentage of Total Revenue**
	(₹ million)	**(%)**	**(₹ million)**	**(%)**	**(₹ million)**	**(%)**
Income						
Revenue from Operations	3,327.12	82.55%	3,714.98	92.52%	4,093.46	81.91%
Other Income	703.46	17.45%	300.49	7.48%	903.76	18.09%
Total revenue	**4,030.58**	**100.00%**	**4,015.47**	**100.00%**	**4,997.22**	**100.00%**
Expenses:						
Operating Expenses	326.77	8.11%	294.09	7.32%	272.73	5.46%
Employees Remuneration and Benefits	724.96	17.99%	885.78	22.06%	895.25	17.91%
Interest and Finance Charges	603.32	14.97%	1,474.75	36.73%	1,378.34	27.58%
Administrative and Other Expenses	291.96	7.24%	364.35	9.07%	433.34	8.67%
Depreciation	131.48	3.26%	229.05	5.70%	238.31	4.77%
Total Expense	**2,078.49**	**51.57%**	**3,248.02**	**80.89%**	**3,217.97**	**64.40%**
Profit before tax	**1,952.09**	**48.43%**	**767.45**	**19.11%**	**1,779.25**	**35.60%**
Tax expense / (benefit) :						
Current Tax	460.17	11.42%	204.35	5.09%	614.52	12.30%
MAT Credit entitlement	(5.05)	(0.13)%	(108.87)	(2.71)%	(170.59)	(3.41)%
Deferred Tax (net)	21.62	0.54%	(64.14)	(1.60)%	88.68	1.77%
Tax Expenses of earlier years	3.89	0.10%	0.70	0.02%	1.76	0.04%
Total Tax Expense	**480.63**	**11.92%**	**32.04**	**0.80%**	**534.37**	**10.69%**

	Fiscal 2015		Fiscal 2016		Fiscal 2017	
	Amount	Percentage of Total Revenue	Amount	Percentage of Total Revenue	Amount	Percentage of Total Revenue
	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)
Net Profit After Tax before Minority Interest	**1,471.46**	**36.51%**	**735.41**	**18.31%**	**1,244.88**	**24.91%**
Minority Interest	-	-	-	-	-	-
Profit after tax attributable to shareholders of the Company	**1,471.46**	**36.51%**	**735.41**	**18.31%**	**1,244.88**	**24.91%**

Fiscal 2017 compared to Fiscal 2016

Revenue

Our total revenue consists of revenue from operations and other income. Total revenue increased by 24.45% from ₹ 4,015.47 million in Fiscal 2016 to ₹ 4,997.22 million in Fiscal 2017. The increase in total revenue was primarily attributable to an increase in sale of services and other operating income.

Revenue from Operations

Revenue from operations consists of revenue from sale of services and other operating revenue. Revenue from operations increased by 10.19% from ₹ 3,714.98 million in Fiscal 2016 to ₹ 4,093.46 million in Fiscal 2017. The following table sets forth certain information relating to our revenue from operations across our principal business verticals in Fiscal 2016 and Fiscal 2017:

	Fiscal 2016		Fiscal 2017	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations
	(₹ million)	(%)	(₹ million)	(%)
(i) Sale of Services includes :				
Brokerage Income	2,287.86	61.58%	2,296.35	56.10%
Interest on Margin Funding / Delayed Payments	56.31	1.52%	65.23	1.59%
Interest from Financing Activities	38.16	1.03%	60.31	1.47%
Management Fee	-	-	12.16	0.30%
Income from Depository Services	63.56	1.71%	49.41	1.21%
Rental income	439.19	11.82%	526.37	12.86%
Maintenance income	93.31	2.51%	143.40	3.50%
Other Charges including Transaction Charges	28.99	0.78%	34.16	0.83%
Stamp Duty Recoveries	23.84	0.64%	34.60	0.85%
	3,031.22	**81.59%**	**3,221.99**	**78.71%**
(ii) Other Operating Revenues includes :				
Interest on Deposits	160.39	4.32%	105.90	2.59%
Interest on Earnest Money Deposits	-	-	67.96	1.66%
Consultancy Fees and Advisory Income	519.53	13.98%	694.60	16.97%
Income from IPO commission, Mutual Funds commission, Account Opening and other Miscellaneous Income	3.84	0.10%	3.01	0.07%
	683.76	**18.41%**	**871.47**	**21.29%**

Revenue from sale of services increased marginally by 6.29% from ₹ 3,031.22 million in Fiscal 2016 to ₹ 3,221.99 million in Fiscal 2017. The increase was partially attributable to an increase in rental income from the property in Chennai, India owned by our erstwhile step-down subsidiary ILPL. Rental income increased by 19.85% from ₹ 439.19 million in Fiscal 2016 to ₹ 526.37 million in Fiscal 2017. The increase in revenue was also a result of an increase in maintenance income, generated from our property leasing business. Maintenance income increased by 53.68% from ₹ 93.31 million in Fiscal 2016 to ₹ 143.40 million in Fiscal 2017. We also recorded a marginal increase in brokerage income, which increased by 0.37% from ₹ 2,287.86 million in Fiscal 2016 to ₹ 2,296.35 million in Fiscal 2017. In Fiscal 2017, management fee generated from our investment advisory business was ₹ 12.16 million, while there was no such fee in Fiscal 2016. Income from financing activities increased by 58.05% from ₹ 38.16 million in Fiscal 2016 to ₹ 60.31 million in Fiscal 2017, primarily due to an increase in advances disbursed during such period. This was partly offset by a decrease in income from depository services, carried out by our Company. Income from depository services decreased by 22.26% from ₹ 63.56 million in Fiscal 2016 to ₹ 49.41 million in Fiscal 2017.

Other operating revenue that comprises of interest generated on deposits, consultancy fees and advisory income and commission income, increased by 27.45% from ₹ 683.76 million in Fiscal 2016 to ₹ 871.47 million in Fiscal 2017. The increase was primarily attributable to an increase in consultancy fees and advisory income, which increased by 33.70% from ₹ 519.53 million in Fiscal 2016 to ₹ 694.60 million in Fiscal 2017. We also recorded interest on earnest money deposits of ₹ 67.96 million in Fiscal 2017, compared to Nil in Fiscal 2016. This was partly offset by a decrease in interest on deposits by 33.97% from ₹ 160.39 million in Fiscal 2016 to ₹ 105.90 million in Fiscal 2017.

Other income

Other income comprises interest income on intercorporate loans, and on income tax deposits, dividend income and other non-operating income. Other income increased by 200.76% from ₹ 300.49 million in Fiscal 2016 to ₹ 903.76 million in Fiscal 2017, primarily due to an increase in other non-operating income.

Other non-operating income increased by 381.24%, from ₹ 182.07 million in Fiscal 2016 to ₹ 876.20 million in Fiscal 2017. The significant increase was due to profit on disposal of subsidiary, namely ILPL, which was ₹ 672.92 million. In addition, we recorded significant increases in profit on sale of assets which increased by 106.39% from ₹ 65.41 million in Fiscal 2016 to ₹ 135.00 million in Fiscal 2017, and increase in write-backs for excess provision for incentives and other expenses not required, by 97.99% from ₹ 8.44 million in Fiscal 2016 to ₹ 16.71 million in Fiscal 2017. This was marginally offset by a decrease in profit on sale of current investments, which decreased by 83.01% from ₹ 75.89 million in Fiscal 2016 to ₹ 12.89 million in Fiscal 2017.

Expenses

Total expenses comprise operating expenses, employee remuneration and benefits expenses, interest and finance charges, administrative and other expenses, and depreciation expenses. Total expenses decreased by 0.92% from ₹ 3,247.98 million in Fiscal 2016 to ₹ 3,217.97 million in Fiscal 2017, primarily on account of a decrease in interest and finance charges. The following table sets forth certain information relating to our expenses in the periods specified:

	Fiscal 2016	**Percentage of revenue from operations**	**Fiscal 2017**	**Percentage of revenue from operations**
	(₹ million)	**(%)**	**(₹ million)**	**(%)**
Expenses				
Operating Expenses	294.09	7.92%	272.73	6.66%
Employees Remuneration and Benefits	885.78	23.84%	895.25	21.87%
Interest and Finance Charges	1,474.75	39.70%	1,378.34	33.67%
Administrative and Other Expenses	364.35	9.81%	433.34	10.59%
Depreciation	229.05	6.17%	238.31	5.82%
	3,248.02	**87.43%**	**3,217.97**	**78.61%**

Operating Expenses

Operating expenses primarily consist of commission expenses paid to our lead generators for the real estate broking business of IIAL, and stamp duty and transaction charges incurred with respect to our brokerage business. Operating expenses decreased by 7.26% from ₹ 294.09 million in Fiscal 2016 to ₹ 272.73 million in Fiscal 2017, primarily due to a decrease in commission expenses, which decreased by 20.21% from ₹ 213.92 million in Fiscal 2016 to ₹ 170.69 million in Fiscal 2017. The decrease was primarily due to a decline in the real estate business.

Employees Remuneration and Benefits

Employee remuneration and benefits include salaries, staff welfare expenses and provision for gratuity and compensated absences. Employee remuneration and benefit expenses increased marginally by 1.07% from ₹ 885.78 million in Fiscal 2016 to ₹ 895.25 million in Fiscal 2017, primarily due to an increase in salaries arising out increasing number of employees.

Interest and Finance Charges

Interest and finance charges primarily include bank charges, interest on intercorporate deposits, interest on commercial papers, interest on lease rent discounting, and interest on bank overdraft. Interest and finance charges decreased by 6.54% from ₹ 1,474.75 million in Fiscal 2016 to ₹ 1,378.34 million in Fiscal 2017, primarily due to a decrease in intercorporate deposits, which decreased by 12.08% from ₹ 599.11 million to ₹ 526.74 million during such period. This was marginally offset by an increase in interest on commercial papers and interest on lease rent discounting.

Administrative and Other Expenses

Administrative and other expenses primarily comprise contingent provisions/ loan assets written off and repair and maintenance costs. Administrative and other expenses increased by 18.94% from ₹ 364.35 million in Fiscal 2016 to ₹ 433.34 million in Fiscal 2017, primarily on account of an increase in contingent provision/ loan assets written off.

Depreciation

Depreciation expenses are accounted for following the straight line method over the estimated useful life of the fixed assets. Depreciation expenses increased by 4.04% from ₹ 229.05 million in Fiscal 2016 to ₹ 238.31 million in Fiscal 2017. The relative increase in depreciation expenses was attributable to the depreciation on additions in tangible assets, including leasehold improvements, furniture and fixtures, computers, vehicles and office equipment on account of organic growth in Fiscal 2017.

Profit before Tax

For the reasons discussed above, profit before tax was ₹ 1,779.25 million in Fiscal 2017 as compared to profit before tax of ₹ 767.45 million in Fiscal 2016.

Tax Expense

Our tax expenses include current tax, deferred tax, MAT entitlement credit and tax expenses for earlier years. Our tax expenses in Fiscal 2017 were ₹ 534.37 million, including ₹ 443.93 million of current tax (net of MAT credit). In addition, there was a deferred tax charge of ₹ 88.68 million in Fiscal 2017. Our tax expense in Fiscal 2016 was ₹ 32.04 million, primarily consisting of ₹ 95.48 million of current tax and a deferred tax credit of ₹ 64.14 million in Fiscal 2016.

Profit for the Year

For the reasons discussed above, profit for the year was significantly higher at ₹ 1,244.88 million in Fiscal 2017, compared to profit after tax of ₹ 735.41 million in Fiscal 2016. Our profit margin, calculated as our profit for the year, presented as a percentage of our total income, was 24.91% in Fiscal 2017 as compared to 18.31% in Fiscal 2016.

Fiscal 2016 compared to Fiscal 2015

Revenue

Total revenue partially decreased by 0.37% from ₹ 4,030.58 million in Fiscal 2015 to ₹ 4,015.47 million in

Fiscal 2016. The decrease in total revenue was primarily attributable to a decrease in other operating revenue.

Revenue from Operations

Revenue from operations consists of revenue from sale of services and other operating revenue. Revenue from operations increased by 11.66% from ₹ 3,327.12 million in Fiscal 2015 to ₹ 3,714.98 million in Fiscal 2016. The following table sets forth certain information relating to our revenue from operations across our principal business verticals in Fiscal 2015 and Fiscal 2016:

	Fiscal 2015		Fiscal 2016	
	Amount	**Percentage of revenue from operations**	**Amount**	**Percentage of revenue from operations**
	(₹ million)	**(%)**	**(₹ million)**	**(%)**
(i) Sale of Services includes :				
Brokerage Income	2,731.33	82.09%	2,287.86	61.58%
Interest on Margin Funding / Delayed Payments	61.60	1.85%	56.31	1.52%
Interest from Financing Activities	15.10	0.45%	38.16	1.03%
Management Fee	-	0.00%	-	0.00%
Income from Depository Services	82.78	2.49%	63.56	1.71%
Rental income	98.36	2.96%	439.19	11.82%
Maintenance income	29.73	0.89%	93.31	2.51%
Other Charges including Transaction Charges	30.57	0.92%	28.99	0.78%
Stamp Duty Recoveries	25.15	0.76%	23.84	0.64%
Total	**3,074.62**	**92.41%**	**3,031.22**	**81.59%**
(ii) Other Operating Revenues includes :				
Interest on Deposits	135.94	4.09%	160.39	4.32%
Interest on Earnest Money Deposits	-	0.00%	-	0.00%
Consultancy Fees and Advisory Income	111.79	3.36%	519.53	13.98%
Income from IPO commission, Mutual Funds commission, Account Opening and other Miscellaneous Income	4.77	0.14%	3.84	0.10%
Total	**252.50**	**7.59%**	**683.76**	**18.41%**

Revenue from sale of services decreased marginally by 1.41% from ₹ 3,074.62 million in Fiscal 2015 to ₹ 3,031.22 million in Fiscal 2016. The decrease was attributable to a decrease in brokerage income and income from depository services. Brokerage income decreased by 16.24% from ₹ 2,731.33 million in Fiscal 2015 to ₹ 2,287.86 million in Fiscal 2016. Other charges including transaction charges decreased by 5.17% from ₹ 30.57 million in Fiscal 2015 to ₹ 28.99 million in Fiscal 2016. We also recorded a decrease in income from depository services, which decreased significantly by 23.22% from ₹ 82.78 million in Fiscal 2015 to ₹ 63.56 million in Fiscal 2016. This was primarily offset by an increasing rental income, maintenance income and interest from financing activities. Rental income significantly increased by 346.51% from ₹ 98.36 million in Fiscal 2015 to ₹ 439.19 million in Fiscal 2016, primarily due to the first full financial year of generating lease rental from the property in Chennai, India owned by our erstwhile step down subsidiary ILPL. There was also a significant increase in maintenance income from ₹ 29.73 million in Fiscal 2015 to ₹ 93.31 million in Fiscal 2016. Interest from financing activities also increased significantly by 152.72% from ₹ 15.10 million in Fiscal 2015 to ₹ 38.16 million in Fiscal 2016.

Other operating revenue that comprises of interest generated on deposits, consultancy fees and advisory income and commission income, significantly increased by 170.80% from ₹ 252.50 million in Fiscal 2015 to ₹ 683.76 million in Fiscal 2016. The increase was primarily attributable to an increase in consultancy fees and advisory income, which increased significantly by 364.74% from ₹ 111.79 million in Fiscal 2015 to ₹ 519.53 million in Fiscal 2016. We also recorded an increase in interest on deposits of ₹ 160.39 million in Fiscal 2016, as compared to ₹ 135.94 million in Fiscal 2015.

Other income

Other income comprises interest income from inter corporate deposit and income tax refund, dividend income and other non-operating income. Other income decreased by 57.28% from ₹ 703.46 million in Fiscal 2015 to ₹ 300.49 million in Fiscal 2016, primarily due to a decrease in other non-operating income.

Other non-operating income decreased by 70.60%, from ₹ 619.23 million in Fiscal 2015 to ₹ 182.07 million in Fiscal 2016. The significant decrease was due to profit on sale of long term investments which was ₹ 469.66 million in Fiscal 2015, and nil in Fiscal 2016. In addition, we recorded a decrease in dividend income on other long term investments, by 88.66% from ₹ 9.79 million in Fiscal 2015 to ₹ 1.11 million in Fiscal 2016. This was marginally offset by an increase in interest income from inter corporate deposit, which increased by 62.43% from ₹ 66.95 million in Fiscal 2015 to ₹ 108.75 million in Fiscal 2016 and an increase in bad debt recovered, which decreased by 16.05% from ₹ 3.24 million in Fiscal 2015 to ₹ 2.72 million in Fiscal 2016.

Expenses

Total expenses comprise operating expenses, employee remuneration and benefits expenses, interest and finance charges, administrative and other expenses, and depreciation expenses. Total expenses increased by 56.27% from ₹ 2,078.49 million in Fiscal 2015 to ₹ 3,247.98 million in Fiscal 2016, primarily on account of an increase in interest and finance charges. The following table sets forth certain information relating to our expenses in the periods specified:

	Fiscal 2015	**Percentage of revenue from operations**	**Fiscal 2016**	**Percentage of revenue from operations**
	(₹ million)	**(%)**	**(₹ million)**	**(%)**
Expenses				
Operating Expenses	326.77	9.82%	294.09	7.92%
Employees Remuneration and Benefits	724.96	21.79%	885.78	23.84%
Interest and Finance Charges	603.32	18.13%	1,474.75	39.70%
Administrative and Other Expenses	291.96	8.77%	364.35	9.81%
Depreciation	131.48	3.95%	229.05	6.17%
	2,078.49	**62.47%**	**3,248.02**	**87.43%**

Operating Expenses

Operating expenses decreased by 10.00% from ₹ 326.77 million in Fiscal 2015 to ₹ 294.09 million in Fiscal 2016, primarily due to a decrease in commission expenses, which decreased by 11.12% from ₹ 240.69 million in Fiscal 2015 to ₹ 213.92 million in Fiscal 2016. In addition, there was a decrease in stamp duty from ₹ 29.50 million in Fiscal 2015 to ₹ 25.14 million in Fiscal 2016.

Employees Remuneration and Benefits

Employee remuneration and benefits include salaries, contributions to provident fund and other funds, staff welfare expenses and provision for gratuity and compensated absences. Employee remuneration and benefit expenses increased by 22.18% from ₹ 724.96 million in Fiscal 2015 to ₹ 885.78 million in Fiscal 2016.

Interest and Finance Charges

Interest and finance charges primarily include bank charges, interest on inter corporate deposits, interest on commercial papers, interest on lease rent discounting, interest on short term loans, and interest on bank overdraft. Interest and finance charges significantly increased by 144.44% from ₹ 603.32 million in Fiscal 2015 to ₹ 1,474.75 million in Fiscal 2016, primarily due to an increase in inter corporate deposits, which increased by 185.58% during such period, increase in interest on lease rent discounting, which was ₹ 342.70 million in Fiscal 2016 as compared to ₹ 1.12 million in Fiscal 2015, and increase in interest on commercial papers, which increased by ₹ 87.06 million during such period. This was marginally offset by a decrease in interest on short term loans.

Administrative and Other Expenses

Administrative and other expenses primarily comprise lease rent, contingent provisions/ loan assets written off, professional charges and repair and maintenance costs. Administrative and other expenses increased by 24.79% from ₹ 291.96 million in Fiscal 2015 to ₹ 364.35 million in Fiscal 2016, primarily on account of repair and maintenance costs and professional charges. Repairs and maintenance costs increased by 128.79% from ₹ 31.23 million in Fiscal 2015 to ₹ 71.45 million in Fiscal 2016 and professional charges increased by 143.25% from ₹ 12.67 million in Fiscal 2015 to ₹ 30.82 million in Fiscal 2016. This was marginally offset by a decrease in lease rent from ₹ 99.72 million in Fiscal 2015 to ₹ 79.27 million in Fiscal 2016.

Depreciation

Depreciation expenses are accounted for following the straight line method over the estimated useful life of the fixed assets. Depreciation expenses increased by 74.21% from ₹ 131.48 million in Fiscal 2015 to ₹ 229.05 million in Fiscal 2016. The relative increase in depreciation expenses was attributable to the depreciation on additions in tangible assets, including leasehold improvements, furniture, vehicles, building and plant and machinery and in intangible assets such as software in Fiscal 2016.

Profit before Tax

For the reasons discussed above, profit before tax was ₹ 767.45 million in Fiscal 2016 as compared to profit before tax of ₹ 1,952.09 million in Fiscal 2015.

Tax Expense

Our tax expenses include current tax, deferred tax, MAT credit entitlement, net deferred tax and tax expenses for earlier years. Our tax expenses in Fiscal 2016 were ₹ 32.04 million, including ₹ 204.35 million of current tax. This was offset by MAT credit entitlement of ₹ 108.87 million and net deferred tax credit of ₹ 64.14 million. Our tax expense in Fiscal 2015 was ₹ 480.63 million, primarily consisting of ₹ 455.12 million of current tax and net deferred tax of ₹ 21.62 million.

Profit after tax

For the reasons discussed above, profit after tax was significantly lower at ₹ 735.41 million in Fiscal 2016, compared to profit after tax of ₹ 1,471.46 million in Fiscal 2015. Our profit margin, calculated as our profit for the year, presented as a percentage of our total income, was 18.31% in Fiscal 2016 as compared to 36.51% in Fiscal 2015.

Financial Position

As of March 31, 2017, our Net Worth was ₹ 4,664.30 million. Our Net Worth increased by 3.98% from ₹ 3,151.25 million as of March 31, 2015 to ₹ 3,276.67 million as of March 31, 2016.

Assets

The following table sets forth the principal components of our assets as of the dates specified:

	As of March 31,		
	2015	**2016**	**2017**
	(₹ million)		
Non-Current Assets			
Fixed Assets			
(i) Tangible Assets	5,499.59	5,315.98	768.09
(ii) Intangible Assets	53.85	70.30	57.28
(iii) Intangible Assets Under Development	0.00	0.00	0.37
(iv) Capital Work in Progress	114.61	363.40	78.75
Total Fixed Assets	**5,668.05**	**5,749.68**	**904.49**
Goodwill on Consolidation	1,219.39	1,349.68	215.32
Non-Current Investments	0.05	0.05	0.05

	As of March 31,		
	2015	**2016**	**2017**
	(₹ million)		
Deferred Tax Assets (Net)	187.61	241.08	152.40
Long-Term Loans and Advances	210.96	611.35	706.87
Other Non-Current Assets	167.39	178.39	4.56
Total Non-Current Assets	**7,453.45**	**8,130.23**	**1,983.69**
Current Assets			
Current Investments	693.55	-	1,625.00
Trade Receivables	2,470.55	3,167.02	3,369.85
Cash and Cash Equivalents	6,893.95	8,337.94	9,056.62
Short-Term Loans and Advances	6,422.53	7,150.42	6,178.73
Other Current Assets	249.74	326.08	123.15
Total Current Assets	**16,730.32**	**18,981.46**	**20,353.35**
Total	**24,183.77**	**27,111.69**	**22,337.04**

As of March 31, 2017, we had total assets of ₹ 22,337.04 million as compared to total assets as of March 31, 2016 which was ₹ 27,111.69 million. The decrease in total assets by 17.61% was largely due to a decrease in goodwill on consolidation and decrease in tangible assets.

As of March 31, 2016, we had total assets of ₹ 27,111.69 million as compared to total assets as of March 31, 2015, which was ₹ 24,183.77 million. The increase in total assets by 12.11% was largely due to an increase in goodwill on consolidation and deferred tax assets.

Non-Current Assets

Fixed Assets

As of March 31, 2017, we had fixed assets of ₹ 904.49 million as compared to ₹ 5,749.68 million as of March 31, 2016. The decrease in fixed assets by 84.27% was primarily attributable to a decrease in tangible assets by 85.55% from ₹ 5,315.98 million as of March 31, 2016 to ₹ 768.09 million as of March 31, 2017. Tangible assets reduced on account of disposal of the erstwhile step-down subsidiary ILPL, as the building, furniture and plant and machinery amounting to ₹ 5,350.00 million that was owned by ILPL, was also disposed as part of the sale. There was also a significant decrease in capital work in progress from ₹ 363.40 million as of March 31, 2016 to ₹ 78.75 million as of March 31, 2017.

As of March 31, 2016, we had fixed assets of ₹ 5,749.68 million as compared to ₹ 5,668.05 million as of March 31, 2015. The marginal increase by 1.44% was primarily attributable to an increase in capital work in progress. Capital work in progress increased by 217.08% from ₹ 114.61 million as of March 31, 2015 to ₹ 363.40 million as of March 31, 2016.

Goodwill on Consolidation

Goodwill on consolidation was ₹ 215.32 million as of March 31, 2017 compared to ₹ 1,349.68 million as of March 31, 2016. Goodwill on consolidation decreased by ₹ 1,134.36 million primarily relating to the excess of purchase consideration over net asset value of ILPL as acquired in Fiscal 2015 on the date of the relevant acquisition.

Goodwill on consolidation was ₹ 1,349.68 million as of March 31, 2016 compared to ₹ 1,219.39 million as of March 31, 2015.

Long-term Loans and Advances

Long term loans and advances aggregated to ₹ 706.87 million as of March 31, 2017. Long term loans and advances were ₹ 611.35 million as of March 31, 2016. The increase by 15.62% in long term loans and advances was primarily due to an increase in unsecured loans advanced from nil as of March 31, 2016 to ₹ 89.21 million as of March 31, 2017.

Long term loans and advances increased significantly from ₹ 210.96 million as of March 31, 2015 to ₹ 611.35 million as of March 31, 2016. The increase was primarily due to increase in advance of income tax, rental deposit, and MAT credit available.

Other Non-Current Assets

Other non-current assets comprise of unamortized expenses, fixed deposit costs and lease equalization. Other non-current assets decreased significantly by 97.44% from ₹ 178.39 million as of March 31, 2016 to ₹ 4.56 million as of March 31, 2017, primarily as a result of Nil unamortized expenses and lease equalization as of March 31, 2017, compared to ₹ 69.93 million and ₹ 80.46 million of unamortized expenses and lease equalization as of March 31, 2016, respectively.

Other non-current assets remained relatively stable at ₹ 167.39 million as of March 31, 2015 and ₹ 178.39 million as of March 31, 2016.

Current Assets

Current Investments

Current investments comprise of investments in mutual funds, such as the L&T mutual fund, Deutsche mutual fund, JM Arbitrage Advantage Fund, and Indiabulls mutual fund. While we did not have any current investments as of March 31, 2016, all our current investments comprised of Indiabulls mutual fund units as of March 31, 2017. We had current investments of ₹ 693.55 million in units of JM Arbitrage Advantage Fund as of March 31, 2015.

Short Term Loans and Advances

Short term loans and advances primarily comprise security deposits and advances on income tax along with deposits with stock exchanges as part of our brokerage business. Short term loans and advances were ₹ 7,150.45 million as of March 31, 2016 and ₹ 6,178.73 million as of March 31, 2017. The decrease was primarily due to a decrease in security deposits by 25.23% from ₹ 6,398.73 million as of March 31, 2016 to ₹ 4,784.04 million as of March 31, 2017.

Short term loans and advances increased by 11.33% from ₹ 6,422.53 million as of March 31, 2015 and ₹ 7,150.42 million as of March 31, 2016. The increase was primarily attributable to an increase in security deposits by 48.80% from ₹ 4,300.26 million as of March 31, 2015 to ₹ 6,398.73 million as of March 31, 2016.

Other Current Assets

Other current assets comprise primarily of interest accrued on loans and fixed deposits, and other receivables. Other current assets decreased by 62.23% from ₹ 326.08 million as of March 31, 2016 to ₹ 123.15 million as of March 31, 2017, as a result of a decrease in interest accrued on loans by 64.51% from ₹ 173.17 million as of March 31, 2016 to ₹ 61.45 million as of March 31, 2017.

Other current assets increased by 30.57% from ₹ 249.74 million as of March 31, 2015 to ₹ 326.08 million as of March 31, 2016, primarily due to an increase in interest accrued on loans by 41.37% from ₹ 122.49 million as of March 31, 2015 to ₹ 173.17 million as of March 31, 2016.

Liabilities and Provisions

The following table sets forth the principal components of our liabilities as of the dates specified:

	As of March 31,		
	2015	2016	2017
	(₹ million)		
Non-Current Liabilities			
Long-Term Borrowings	3,305.49	3,919.41	5.72
Deferred Tax Liabilities (Net)	10.67	-	-

	As of March 31,		
	2015	**2016**	**2017**
	(₹ million)		
Other Long-Term Liabilities	294.75	624.82	-
Long-Term Provisions	64.90	82.00	107.85
Total Non-Current Liabilities	**3,675.81**	**4,626.23**	**113.57**
Current Liabilities			
Short-Term Borrowings	13,533.16	17,083.77	15,183.27
Trade Payables			
(i) Total outstanding due to micro enterprises and small enterprises	-	-	-
(ii) Total outstanding due to creditors other than micro enterprises and small enterprises	37.89	31.78	34.13
Other Current Liabilities	3,607.78	2,036.82	2,044.97
Short-Term Provisions	66.37	56.42	122.03
Total Current Liabilities	**17,245.20**	**19,208.79**	**17,384.40**

Non-Current Liabilities

Non-current liabilities comprise long term borrowings, which represented our term loans from banks and other institutions, other long-term liabilities, and long-term provisions. Total non-current liabilities decreased significantly by 97.55% from ₹ 4,626.23 million as of March 31, 2016 to ₹ 113.57 million as of March 31, 2017. The decrease was primarily due to a decrease in long term borrowings and other long term liabilities.

Long-Term Borrowings

Long-term borrowings decreased by 99.85% from ₹ 3,919.41 million as of March 31, 2016 to ₹ 5.72 million as of March 31, 2017, due to repayment of long term borrowings. Long-term borrowings increased by 18.57% from ₹ 3,305.49 million as of March 31, 2015 to ₹ 3,919.41 million as of March 31, 2016.

Other Long-Term Liabilities

Other long-term liabilities comprises security deposits and amounts received from issuance of the GDRs. Other long-term liabilities were ₹ 624.82 million as of March 31, 2016 while other long-term liabilities were Nil as of March 31, 2017. Security deposits collected by us included deposits in respect of operating leases for the commercial infrastructure owned and operated by ILPL in Chennai, India. The deposits were repaid on completion of the lease tenures/ forfeited as part of the sale of ILPL in Fiscal 2017.

Other long-term liabilities increased by 111.98% from ₹ 294.75 million as of March 31, 2015 to ₹ 624.82 million as of March 31, 2016. The increase was primarily attributable to the security deposits received from the leased premises owned and operated by ILPL in Fiscal 2016.

Current Liabilities

Current liabilities include short-term borrowings, trade payables, other current liabilities and short-term provisions. Current liabilities decreased by 9.50% from ₹ 19,208.78 million as of March 31, 2016 to ₹ 17,384.38 million as of March 31, 2017. Current liabilities decreased primarily due to a decrease in short-term borrowings. Current liabilities increased by 11.39% from ₹ 17,245.20 million as of March 31, 2015 to ₹ 19,208.78 million as of March 31, 2016 primarily due to an increase in short-term borrowings.

Short-Term Borrowings

Short-term borrowings consist of bank overdraft facilities, commercial paper issuances and intercorporate deposits. Short-term borrowings decreased by 11.12% from ₹ 17,083.77 million as of March 31, 2016 to ₹ 15,183.27 million as of March 31, 2017, primarily due to a decrease in bank overdrafts, while short-term borrowings increased by 26.24% from ₹ 13,533.16 million as of March 31, 2015 to ₹ 17,083.77 million as of March 31, 2016 due to an increase in overdraft facilities and commercial paper.

Other Current Liabilities

Other current liabilities primarily included margin from customers, security deposits received, other payables and current liabilities for expense provisions and statutory dues. Other current liabilities decreased by 43.54% from ₹ 3,607.78 million as of March 31, 2015 to ₹ 2,036.82 million as of March 31, 2016, primarily due to a decrease in other payables by 94.63% from ₹ 2,278.26 million as of March 31, 2015 to ₹ 122.34 million as of March 31, 2016.

Short Term Provisions

Short term provisions include provision for taxation, provision for gratuity and provision for loan assets. Short term provisions increased significantly by 116.29% from ₹ 56.42 million as of March 31, 2016 to ₹ 122.03 million as of March 31, 2017 due to an increase in provision for taxation.

Shareholders' Equity

As of March 31, 2017, shareholders' equity was ₹ 4,839.11 million, representing 21.66% of our total assets. Shareholders' equity increased by 0.43% from ₹ 3,262.76 million as of March 31, 2015 to ₹ 3,276.71 million as of March 31, 2016. Shareholders' equity represented 12.09% of our total assets as of March 31, 2016 and 13.49% of our total assets as of March 31, 2015.

Liquidity

Cash Flows

The following table sets forth certain information relating to our cash flows in the periods indicated:

	Fiscal		
	2015	2016	2017
	(₹ million)		
Net cash flow from/(used in) operating activities	(2,680.09)	102.38	1,955.57
Net cash flow from/(used in) investing activities	(3,309.32)	(770.26)	4,513.99
Net cash flow from/ (used in) financing activities	9,944.69	1,962.17	(2,393.51)
Net increase/(decrease) in cash and cash equivalents	**3,955.28**	**1,294.30**	**4,076.05**

Operating Activities

Net cash generated from operating activities was ₹ 1,955.57 million in Fiscal 2017, and profit before tax was ₹ 1,779.25 million. The difference was primarily attributable to interest expense of ₹ 1,348.80 million and contingent provisions/ loan assets written off of ₹ 40.78 million. Operating profit before working capital changes was ₹ 2,524.08 million. The main working capital adjustments was on account of an increase in trade receivables and other assets and decrease in trade payables and other liabilities. This was partly offset by adjustments for loss on sale of long term investments of ₹ 672.92 million and trade payables and other liabilities of ₹ 354.09 million in Fiscal 2017. Tax paid was ₹ 664.87 million in Fiscal 2017.

Net cash generated in operating activities was ₹ 102.38 million in Fiscal 2016, and profit before tax was ₹ 767.45 million. The difference was primarily attributable to trade receivables and other assets of ₹ 2,784.30 million and interest income from intercorporate deposits of ₹ 108.75 million. Operating profit before working capital changes was ₹ 2,174.83 million. The main working capital adjustments was on account of a decrease in trade receivables and other assets of ₹ 2,784.30 million and increase in trade payables and other liabilities of ₹ 1,069.48 million. This was also partly offset by adjustments relating to interest expense of ₹ 1,434.12 million in Fiscal 2016. Tax paid was ₹ 357.62 million in Fiscal 2016.

Net cash used in operating activities was ₹ 2,680.09 million in Fiscal 2015, and profit before tax was ₹ 1,952.09 million. The difference was primarily attributable to trade receivables and other assets of ₹ 3,767.00 million and loss on sale of long term investments of ₹ 469.66 million. Operating profit before working capital changes was ₹ 1,975.13 million. The main working capital adjustments was on account of a decrease in trade receivables and other assets and trade payables and other liabilities. This was partly offset by adjustments relating to interest expense of ₹ 572.40 million in Fiscal 2015. Tax paid was ₹ 455.62 million in Fiscal 2015.

Investing Activities

Net cash generated from investing activities was ₹ 4,513.99 million in Fiscal 2017, primarily on account of proceeds from sale of long term investments of ₹ 5,978.10 million. This was partially offset by purchase of units of mutual funds of ₹ 1,560.11 million.

Net cash used in investing activities was ₹ 770.26 million in Fiscal 2016, primarily on account of purchase of long term investments of ₹ 2,405.25 million and purchase of fixed assets (including net capital advances given) of ₹ 328.72 million. This was partially offset by realised intercorporate deposit of ₹ 988.27 million and redemption of units of mutual funds of ₹ 769.44 million.

Net cash used in investing activities was ₹ 3,309.32 million in Fiscal 2015, primarily on account of giving intercorporate deposits of ₹ 1,810.49 million and purchase of long term investments of ₹ 1,693.14 million. This was partially offset by proceeds from sale of long term investments of ₹ 594.99 million.

Financing Activities

Net cash flow used in financing activities in Fiscal 2017 was ₹ 2,393.51 million due to repayment of bank loans of ₹ 2,755.33 million and payment of interest of ₹ 1,229.10 million. This was partially offset by taking intercorporate deposits of ₹ 950.00 million.

Net cash flow generated from financing activities in Fiscal 2016 was ₹ 1,962.17 million on account of proceeds bank loans of ₹ 2,234.56 million, proceeds from commercial papers of ₹ 1,500.00 million and taking of intercorporate deposits of ₹ 1,000.00 million. This was partly offset by payment of interest of ₹ 1,419.75 million and payment of interim dividend on Equity Shares of ₹ 873.46 million.

Net cash flow generated from financing activities in Fiscal 2015 was ₹ 9,944.69 million on account of proceeds from bank loans of ₹ 8,628.90 million, proceeds from commercial papers of ₹ 1,500.00 million and taking of intercorporate deposit of ₹ 1,000.00 million. This was partly offset by payment of interim dividend on Equity Shares of ₹ 1,220.29 million and payment of interest of ₹ 710.17 million.

Cash and cash equivalents

Cash and cash equivalents at the end of the year was ₹ 5,608.34 million, ₹ 6,902.64 million and ₹ 7,660.15 million in Fiscal 2015, 2016 and 2017, respectively. Cash and cash balance on disposal of subsidiaries in Fiscal 2017 was ₹ 3,318.55 million and cash and cash balance on acquisition of subsidiaries in Fiscal 2016 was ₹ 11.03 million.

Indebtedness

As of March 31, 2017 we had long term borrowings of ₹ 5.72 million and short term borrowings of ₹ 15,183.27 million on a consolidated basis. The following table sets forth certain information relating to our outstanding indebtedness as of March 31, 2017, and our repayment obligations in the periods indicated:

	As of March 31, 2017 (₹ million) Payment due by period				
	Total	**<1 year**	**1-3 years**	**3 -5 years**	**More than 5 years**
Term Loans					
- Secured	7.5	1.79	3.17	2.54	
- Unsecured	-	-	-	-	
Total long term borrowings	**7.50**	**1.79**	**3.17**	**2.54**	**-**
Short Term Borrowings					
- Secured	7,233.27	7,233.27			
- Unsecured	7,950.00	7,950.00			
Total Short Term Borrowings	**15,183.27**	**15,183.27**	**-**	**-**	**-**

Commitments and Contingent Liabilities

The following table sets forth certain information relating to future payments due under known commitments and also contingent liabilities not provided for:

	As of March 31, 2015	As of March 31, 2016	As of March 31, 2017	As of June 30, 2017
	(₹ million)			
Contingent Liabilities Claims against the Company not acknowledged as debts in respect of:				
Penalty for synchronized trading under SEBI regulations	1.50	1.50	1.50	1.50
Arbitration matters	-	-	-	-
Court cases	9.83	5.92	2.80	3.77
Commitments				
Capital commitments for purchase of fixed assets	2,515.53	2,114.13	2,178.13	3.06

For further information, see our "*Financial Statements*" on page 216. Except as disclosed in our Restated Consolidated Financial Statements or elsewhere in this Draft Letter of Offer, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

Lease Obligations

The following table sets forth certain information relating to future payments due under known lease obligations as of March 31, 2017:

Particulars	As of March 31, 2017
(₹ million)	
Future minimum lease payments	
not later than one year	69.68
later than one year and not later than five years	175.07
later than five years	14.67

For further information, see "*Financial Statements*" on page 216.

Capital Expenditures

As of the three month period ended June 30, 2017, our capital expenditure (balance of fixed assets) was ₹ 954.16 million on a consolidated basis. As at March 31, 2015, 2016 and 2017, our capital expenditure (balance of fixed assets) was ₹ 5,668.05 million, ₹ 5,749.68 million and ₹ 904.47 million, respectively. The following table sets forth our capital expenditures (balance of fixed assets) as of the three month period ended June 30, 2017 and as of March 31, 2015, 2016 and 2017:

	As of March 31,			As of June 30, 2017
	2015	2016	2017	
	(₹ million)			
Tangible Assets	5,499.59	5,315.98	768.09	805.17
Intangible Assets	53.85	70.30	57.28	54.72
Intangible Assets Under Development	-	-	0.37	3.30
Capital Work in Progress	114.61	363.40	78.75	90.97
Closing Balance	**5,668.05**	**5,749.68**	**904.49**	**954.16**

Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business. For further information relating to our related party transactions, see "*Restated Consolidated Summary Statement of*

Notes to Accounts" of the Restated Consolidated Financial Statements on page 223.

Changes in Accounting Policies

Other than as disclosed in this Draft Letter of Offer, there have been no changes in our Company's accounting policies during the last five fiscal years. For further information, see "*Financial Statements*" on page 216.

Quantitative and Qualitative Disclosures about Market Risk

Operational Risk

Operational risks arise from inadequate or failed internal processes, people and systems or from external events. In order to control our operational risks, we have adopted well-defined loan approval processes and procedures. We also attempt to mitigate operational risk by maintaining a comprehensive system of internal controls, establishing systems and procedures to monitor transactions, maintaining key back-up procedures and undertaking contingency planning. In addition, we have appointed audit firms to conduct internal audits to assess adequacy of and compliance with internal controls, procedures and processes. Reports of internal auditors as well as measures proposed on matters reported are discussed and reviewed at Audit Committee meetings.

Credit Risk

Credit risk arises from loss that may occur from defaults by customers under loan agreements. Customer defaults and inability to recover such amount may lead to higher NPA ratios. Our product specific credit policies which include proposal evaluation and investigation procedure for credit appraisal of each applicant are approved by our Board. We manage our credit risk by evaluating the appropriate level of income and creditworthiness of our customers, carrying out cash flow analysis, setting credit limits and prudent LTV ratios. Credit exposure, credit limits and asset quality are regularly monitored at various levels.

Interest Rate Risk

We are subject to interest rate risk, particularly because we lend to customers at fixed interest rates and for periods that may differ from our funding sources, which bear fixed and/ or floating interest rates. Interest rates are susceptible to a number of factors beyond our control, including monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. We assess and manage interest rate risk on our balance sheet by managing our assets and liabilities in line with our asset and liability management policy.

Liquidity Risk

Liquidity risk arises due to unavailability of adequate funds at appropriate prices or tenure. We attempt to minimize this risk through a mix of strategies, including assignment of receivables and short-term funding. We also monitor liquidity risk through adequate bank sanction limits at the beginning of each Fiscal. Monitoring liquidity risk involves categorizing all assets and liabilities into different maturity profiles and evaluating them for any mismatches in any particular maturities, particularly in the short-term. Through our asset and liability management policy, we cap maximum mismatches in various maturities in line with guidelines prescribed by the RBI.

Foreign Exchange Rate Risk

Changes in currency exchange rates influence our results of operations. We may be required to account for foreign exchange differences arising as part of our investments in non integral foreign operations. As a consequence, we are exposed to currency rate fluctuations between the Indian Rupee and other foreign currencies. Any fluctuation in the value of the Indian Rupee against such currencies may adversely affect our results of operations. Any devaluation of foreign currencies against the Indian Rupee may result in reduction of our margins and consequently have an adverse effect on business and result of operations.

Unusual or Infrequent Events or Transactions

Except as described in this Draft Letter of Offer, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

Significant Economic Changes that Materially affect or are likely to affect Income from Continuing Operations

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in *" – Significant Factors Affecting our Results of Operations and Financial Condition*" and the uncertainties described in "*Risk Factors*" on pages 336 and 19, respectively.

Known Trends or Uncertainties

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in " – *Significant Factors Affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" on pages 336 and 19, respectively. To our knowledge, except as discussed in this Draft Letter of Offer, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future Relationship between Cost and Income

Other than as described in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 19, 139 and 334 respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

Segment Reporting

Other than as disclosed in our Restated Consolidated Financial Statements included in this Draft Letter of Offer, we do not follow any other segment reporting.

Competition

We operate in a competitive environment. For further information, see "*Our Business*", "*Industry Overview*" and "*Risk Factors*" on pages 139, 54 and 19, respectively for further information on our industry and competition.

Auditor Qualifications

There are no qualifications highlighted by the auditors in their reports to our financial statements for the last five fiscal years. For further information, see "*Financial Statements*" on page 216.

Significant Developments after March 31, 2017 that may affect our future Results of Operations

- Indiabulls Asset Reconstruction Company Limited, a wholly owned subsidiary of our Company, has been granted the certificate of registration by the RBI under section 3 of the SARFAESI Act, 2002 on May 19, 2017.

- Pursuant to a meeting of our Board of Directors on July 25, 2017, we have adopted and filed with the stock exchanges on July 25, 2017, the unaudited consolidated and standalone financial results for the quarters ended June 30, 2016 and June 30, 2017, subjected to a limited review by our statutory auditors. For further information, see "*Management Discussion and Analysis of Financial Condition and Results of Operations - Management Discussion and Analysis of Results of Operations of the Unaudited Consolidated Financial Statements for the quarter ended June 30, 2017*" below and "*Financial Information*" on pages 335 and 216 of this Draft Letter of Offer.

- The Board of Directors of our Company pursuant to their meeting dated August 28, 2017, approved the reclassification and increase of the authorised share capital of our Company from ₹ 1,115,250,000 divided into 500,000,000 Equity Shares and 25,000,000 Preference Shares to ₹

2,000,000,000 divided into 1,000,000,000 Equity Shares, subject to approval of the Shareholders at the AGM proposed to be held on September 29, 2017.

- Pursuant to the approval of the Shareholders at the AGM proposed to be held on September 29, 2017, the borrowing powers of our Board of Directors will be increased from ₹ 20,000 million to ₹ 50,000 million. For further information, see "*Our Management*" on page 183.

For further information, see "*Material Developments*" on page 332.

Management Discussion and Analysis of Results of Operations of the Unaudited Consolidated Financial Statements for the quarter ended June 30, 2017

Pursuant to a meeting of our Board of Directors on July 25, 2017, we have adopted and filed with the stock exchanges on July 25, 2017, the unaudited financial results for the quarters ended June 30, 2016 and June 30, 2017, subjected to a limited review by our statutory auditors. The following table sets forth certain information relating to our results of operations for the three months ended June 30, 2016 and 2017:

Particulars	**Three months ended June 30, 2016**		**Three months ended June 30, 2017**	
	Amount	**Percentage of Total Revenue**	**Amount**	**Percentage of Total Revenue**
	(₹ million)	**(%)**	**(₹ million)**	**(%)**
Revenue				
Revenue from Operations	1,000.85	98.49%	1,658.79	96.32%
Other income	15.36	1.51%	63.46	3.68%
Total Income	**1,016.21**	**100.00%**	**1,722.25**	**100.00%**
Expenses				
Operating Expenses	55.95	5.51%	116.16	6.74%
Employee benefits expense	202.21	19.90%	243.02	14.11%
Finance costs	359.27	35.35%	226.13	13.13%
Depreciation and amortisation expense	57.99	5.71%	14.88	0.86%
Other expenses	100.28	9.87%	481.73	27.97%
Total Expenses	**775.70**	**76.33%**	**1,081.92**	**62.82%**
Profit before exceptional items and tax	**240.51**	**23.67%**	**640.33**	**37.18%**
Exceptional items	-	-	-	-
Profit before tax	240.51	23.67%	640.33	37.18%
Tax expense				
Current tax	36.61	3.60%	161.24	9.36%
Deferred tax	(0.25)	(0.02)%	(23.67)	(1.37)%
Total Tax Expense	**36.36**	**3.58%**	**137.57**	**7.99%**
Net profit after tax	**204.15**	**20.09%**	**502.76**	**29.19%**
Share in profit/ (loss) of associates	**-**	**-**	**-**	**-**
Net profit for the period	**204.15**	**20.09%**	**502.76**	**29.19%**

Revenue

Our revenue from operations increased by 65.74% from ₹ 1,000.85 million in the three months ended June 30, 2016 to ₹ 1,658.79 million in the three months ended June 30, 2017. Our other income increased by 313.15% from ₹ 15.36 million in the three months ended June 30, 2016 to ₹ 63.46 million in the three months ended June 30, 2017. The increase in revenue from operations was primarily on account of increase in revenue from our financing and related activities from ₹ 12.21 million in the three months ended June 30, 2016 to ₹ 549.42 million in the three months ended June 30, 2017. Our total income increased by 69.48% from ₹ 1,016.21 million in the three months ended June 30, 2016 to ₹ 1,722.25 million in the three months ended June 30, 2017.

Expenses

Total expenses increased by 39.48% from ₹ 775.70 million in the three months ended June 30, 2016 compared to ₹ 1,081.92 million in the three months ended June 30, 2017 primarily due to increase in other expenses.

- *Operating Expenses.* Operating expenses increased significantly by 107.61% from ₹ 55.95 million in the three months ended June 30, 2016 to ₹ 116.16 million in the three months ended June 30, 2017.

- *Employee Benefit Expenses.* Employee benefit expenses increased by 20.18% from ₹ 202.21 million in the three months ended June 30, 2016 to ₹ 243.02 million in the three months ended June 30, 2017 primarily due to increase in our number of employees as well as increase in salary levels.

- *Finance Costs.* Finance costs decreased by 37.06% from ₹ 359.27 million in the three months ended June 30, 2016 to ₹ 226.13 million in the three months ended June 30, 2017.

- *Depreciation and Amortization Expense.* Depreciation and amortization expense decreased significantly by 74.34% from ₹ 57.99 million in the three months ended June 30, 2016 to ₹ 14.88 million in the three months ended June 30, 2017 primarily due to decrease in our total assets on account of disposal of ILPL.

- *Other Expenses.* Our other expenses increased significantly from ₹ 100.28 million in the three months ended June 30, 2016 to ₹ 481.73 million in the three months ended June 30, 2017.

Profit before tax

As a result of the foregoing, profit before tax was ₹ 640.33 million in the three months ended June 30, 2017, as compared to ₹ 240.51 million in the three months ended June 30, 2016.

Tax Expenses

Tax expenses increased significantly from ₹ 36.36 million in the three months ended June 30, 2016 to ₹ 137.57 million in the three months ended June 30, 2017.

Profit after Tax

Our profit after tax increased from ₹ 204.15 million in the three months ended June 30, 2016 to ₹ 502.76 million in the three months ended June 30, 2017.

FINANCIAL INDEBTEDNESS

As on August 31, 2017, the total outstanding indebtedness of our Company and our Subsidiaries on a consolidated basis was ₹8,070.10 million.

Our Company and our Subsidiaries avail loans in their ordinary course of business for the purposes of meeting their working capital requirements.

Set forth below is a summary of aggregate financial indebtedness of our Company and our Subsidiaries/ on a consolidated basis as on August 31, 2017.

Particulars of borrowing	Sanctioned amount (in ₹ million)	Outstanding amount (in ₹ million)
Fund Based Borrowings		
Secured loans (from banks)		
Bank overdraft	1,450.00	200.10
Working capital loan	700.00	500.00
Unsecured loans (from others)		
Commercial papers	1,500.00	1,500.00
Inter-corporate deposits	3,000.00	2,950.00
Total (A)	**6,650.00**	**5,150.10**
Non-Fund Based Borrowings		
Bank Guarantees	2,965.00	2,920.00
Total (B)	**2,965.00**	**2,920.00**
Total (A+B)	**9,615.00**	**8,070.10**

Principal terms of the borrowings availed by our Company:

1. ***Interest*****:** The interest rates for our working capital loans are determined by the concerned lender as per the prevailing market rate.

2. ***Tenor*****:** The tenor of the working capital loans range from 12 months, while some of our working capital loans are revolving loans. Our overdraft facilities can be availed on demand.

3. ***Security***: In terms of our borrowings where security needs to be created, we are typically required to:

    a. Create security against fixed deposits; and

    b. Create security by way of hypothecation against book debts.

4. ***Re-payment:*** Our working capital facilities are typically repayable on demand.

5. ***Events of Default:*** Borrowing arrangements entered into by us contain certain events of default, including but not limited to:

    a. Drastic Change in our ownership, management and/or control without prior written consent of the concerned lender;
    b. Failure to pay any interest, principal, commission, fee, costs or other amounts due under the concerned transaction documents; and
    c. The occurrence of any event or circumstance which is prejudicial to, imperils, or has the effect of depreciating or jeopardizing the security and the security interest created.

6. ***Restrictive Covenants***: Certain borrowing arrangements entered into by us contain restrictive covenants, including:

    a. Effecting any change to its capital structure without prior written consent of the concerned lender;

    b. Undertaking any new project, diversification, modernization, which are material in nature, or substantial expansion of any of its projects without prior written consent of the concerned lender;

c. Amendment or modification of our constitutional documents, if any, except as may be required by the concerned lender or by applicable Law, without prior written consent of the concerned lender;

d. Declaration or payment of any dividend or authorization or distribution of dividend to our Shareholders or partners, or permit withdrawal of amounts brought in: unless we have paid all the dues in respect of the facilities sanctioned by the concerned lender up to the date on which the dividend is proposed to be declared or paid, without the prior written consent of the concerned lender;

e. Buy-back, cancelling, retiring, reducing, redeeming, re-purchasing, purchasing or otherwise acquiring any of our share capital now or hereafter outstanding, or setting aside any funds for the foregoing purposes or delisting our shares without the prior written consent of the concerned lender;

f. Creating or permitting to subsist any encumbrance or any type of preferential arrangement in any form, on any of our assets without the prior written consent of the concerned lender;

g. Paying any commission to our promoters, directors, managers, partners or other persons for furnishing guarantees, counter guarantees or indemnities or for undertaking any other liability in connection with any obligation incurred by our without prior written consent of the concerned lender; and

h. Changing our constitution and/or undertaking or permitting any merger, de-merger, consolidation, reorganization, dissolution or reconstitution scheme of arrangement to compromise with our creditors or Shareholders without the prior written consent of the concerned lender.

The aforesaid list is indicative and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by our Company.

CAPITALISATION STATEMENT

The capitalisation statement of the Company on consolidated and standalone basis as at March 31, 2017 as adjusted post the Issue is as follows:

(₹ in million)

Particulars	Consolidated		Standalone	
	Pre-Issue as at March 31, 2017	**Post-Issue**	**Pre-Issue as at March 31, 2017**	**Post-Issue***
Borrowings				
Long Term Borrowings	5.72	[●]	-	[●]
Short Term Borrowings	15,183.27	[●]	6,058.27	[●]
Current Maturities of Long Term Borrowings	1.79	[●]	-	[●]
Total Borrowings (A)	**15,190.78**	[●]	**6,058.27**	[●]
Shareholder's Fund				
Equity Share Capital	640.41	[●]	640.41	[●]
Reserves & Surplus	4,023.89	[●]	2,041.69	[●]
Money received against Share Warrants	166.15	[●]	166.15	[●]
Total Shareholder's Fund (B)	**4,830.45**	[●]	**2,848.25**	[●]
Total Borrowings/ Shareholder's Fund ((A)/(B))	**3.14**	[●]	**2.13**	[●]
Long Term Borrowings/ Shareholder' Fund	**0.00**	[●]	**-**	[●]

SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND AS

Below is the summary of significant differences between Indian GAAP and IND AS:

IND AS	**Existing AS**
IND AS 1	**AS 1**
Presentation of Financial Statements	**Disclosure of Accounting Policies**
Requires classification of expenses to be presented based on nature of expenses.	No specific restriction.
Requires presentation of balance sheet as at the beginning of the earliest period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in the financial statements, or when it reclassifies items in its financial statements.	
Requires the financial statements to include a Statement of Changes in Equity to be shown as a part of the balance sheet.	
IND AS 7	**AS 3**
Statement of Cash Flows	**Cash Flow Statements**
Specifically includes bank overdrafts which are repayable on demand as a part of cash and cash equivalents.	Existing AS 3 is silent on this aspect
Specifically requires adjustment of the profit or loss for the effects of 'undistributed profits of associates and non-controlling interests' while determining the net cash flow from operating activities	Does not contain such requirements
Does not contain such requirements	Cash flows associated with extraordinary activities to be separately classified as arising from operating, investing and financing activities
IND AS 8	**AS 5**
Accounting Policies,Changes in Accounting Estimates & Errors	**Net Profit or Loss for the Period, Prior Period Items, and Changes in Accounting Policies**
Requires that changes in accounting policies should be accounted for with retrospective effect subject to limited exceptions	Does not specify how change in accounting policy should be accounted for.
Uses the term errors and relates it to errors or omissions arising from a failure to use or misuse of reliable information (in addition to mathematical mistakes, mistakes in application of accounting policies etc.) that was available when the financial statements of the prior periods were approved for issuance and could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.	Defines prior period items as incomes or expenses which arise in the current period as a result of errors or omissions in the preparation of financial statements of one or more prior periods.
IND AS 10	**AS 4**
Events occurring after the reporting period	**Contingencies and Events occurring after the balance sheet date**

IND AS	Existing AS
Material non-adjusting events are required to be disclosed in the financial statements.	Requires the same to be disclosed in the report of approving authority
Dividend proposed or declared after the reporting period, can not be recognised as a liability in the financial statements because it dose not meet the criteria of a present obligation as per Ind AS 37. Such dividend is required to be disclosed in the notes in the financial statements as per Ind AS 1	The same is required to be adjusted in financial statements
IND AS 12	**AS 22**
Income Taxes	**Taxes on Income**
Based on balance sheet approach. It requires recognition of tax consequences of differences between the carrying amounts of assets and liabilities and their tax base.	Based on income statement approach. It requires recognition of tax consequences of differences between taxable income and accounting income.
Deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, The criteria for recognising deferred tax assets arising from the carry forward of unused tax losses and tax credits are the same that for recognising deferred tax assets arising from deductible temporary differences. However, the existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, when an entity has a history of recent losses, the entity recognises a deferred tax asset arising from unused tax losses or tax credits only to the extent that the entity has sufficient taxable temporary differences or there is **convincing other evidence** that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the entity	Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Where deferred tax asset is recoganised against unabsorbed depreciation or carry forward of losses under tax laws, it is recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.
Current and deferred tax are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from a transaction or event which is recognised outside profit or loss, either in other comprehensive income or directly in equity, in those cases tax is also recognised in other comprehensive income or in equity, as appropriate.	Does not specifically deal with this aspect.
IND AS 16	**IND AS 10 & 6**
Property, Plant & Equipment	**Accounting for Fixed Assets and Depreciation Accounting**
Based on the component approach. Under this approach, each major part of an item of property plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.	It recognises the said approach in only one paragraph by stating that accounting for a tangible fixed asset may be improved if total cost thereof is allocated to its various parts. Apart from this, neither existing AS 10 nor existing AS 6 deals with the aspects such as separate depreciation of components, capitalising the cost of replacement, etc.

IND AS	**Existing AS**
Requires an entity to choose either the cost model or the revaluation model as its accounting policy and to apply that policy to an entire class of property plant and equipment. It requires that under revaluation model, revaluation be made with reference to the fair value of items of property plant and equipment. It also requires that revaluations should be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.	Recognises revaluation of fixed assets. However, the revaluation approach adopted therein is ad hoc in nature, as it does not require the adoption of fair value basis as its accounting policy or revaluation of assets with regularity. It also provides an option for selection of assets within a class for revaluation on systematic basis.
Provides that the revaluation surplus included in equity in respect of an item of property plant and equipment may be transferred to the retained earnings when the asset is derecognised. This may involve transferring the whole of the surplus when the asset is retired or disposed of. However, some of the surplus may be transferred as the asset is used by an entity. In such a case, the amount of the surplus transferred would be the difference between the depreciation based on the revalued carrying amount of the asset and depreciation based on its original cost. Transfers from revaluation surplus to the retained earnings are not made through profit or loss.	As compared to the above, neither existing AS 10 nor existing AS 6 deals with the transfers from revaluation surplus. To deal with this aspect, the Institute issued a Guidance Note on Treatment of Reserve Created on Revaluation of Fixed Assets. The Guidance Note provides that if a company has transferred the difference between the revalued figure and the book value of fixed assets to the 'Revaluation Reserve' and has charged the additional depreciation related thereto to its profit and loss account, it is possible to transfer an amount equivalent to accumulated additional depreciation from the revaluation reserve to the profit and loss account or to the general reserve as the circumstances may permit, provided suitable disclosure is made in the accounts. However, the said Guidance Note also recognises that it would be prudent not to charge the additional depreciation arising due to revaluation against the revaluation reserve.
Provides that the cost of an item of property, plant and equipment is the cash price equivalent at the recognition date. If payment is deferred beyond normal credit terms, the difference between the cash price equivalent and the total payment is recognised as interest over the period of credit unless such interest is capitalised in accordance with Ind AS 16. Similarly, the concept of cash price equivalent has been followed in case of disposal of fixed assets also.	Existing AS 10 does not contain this requirement.
Specifically provides that gains arising on derecognition of an item of property, plant and equipment should not be treated as revenue as defined in AS 9.	Existing AS 10 is silent on this aspect.
IND AS 17	**AS 19**
Revenue	**Revenue**
Definition of 'revenue' is broad compared to the definition of 'revenue' given in existing AS 9 because it covers all economic benefits that arise in the ordinary course of activities of an entity which result in increases in equity, other than increases relating to contributions from equity participants.	Revenue is gross inflow of cash, receivables or other consideration arising in the course of the ordinary activities of an enterprise from the sale of goods, from the rendering of services, and from the use by othersof enterprise resources yielding interest, royalties and dividends.
Requires the revenue to be measured at fair value of the consideration received or receivable	Revenue is recognised at the nominal amount of consideration receivable

IND AS	Existing AS
Requires recognition of revenue using percentage of completion method only	Completed Service Contract method is permitted.
Requires interest to be recognised using effective interest rate method.	Requires the recognition of revenue from interest on time proportion basis.
Ind AS 19	**AS 15**
Employees Benefits	**Employees Benefits**
The term employee includes wholetime directors	The term includes directors.
Requires recognition of the actuarial gains and losses in other comprehensive income, both for post-employment defined benefit plans and other long-term employment benefit plans. The actuarial gains and losses recognised in other comprehensive income should be recognised immediately in retained earnings and should not be reclassified to profit or loss in a subsequent period.	Requires recognition of the actuarial gains and losses immediately in the statement of profit and loss as income or expense.
Ind AS 21	**AS 11**
The Effects of Changes in Foreign Exchange Rates	**The Effects of Changes in Foreign Exchange Rates**
Permits an option to recognise exchange differences arising on translation of certain long-term monetary items from foreign currency to functional currency directly in equity. In this situation, Ind AS 21 requires the accumulated exchange differences to be transferred to profit or loss in an appropriate manner.	Does not permit such a treatment.
Permits an option to recognise exchange differences arising on translation of certain long-term monetary items from foreign currency to functional currency directly in equity and to transfer the same to profit or loss over the term of such items.	Gives an option to the foreign currency gains and losses to recognise exchange differences arising on translation of certain long-term monetary items from foreign currency to functional currency directly in equity to be transferred to profit or loss over the life of the relevant liability/asset if such items are not related to acquisition of fixed assets upto 31st March 2011; where such items are related to acquisition of fixed assets,the foreign exchange differences can be recognised as part of the cost of the asset.
Ind AS 24	**AS 18**
Related Party Disclosures	**Related Party Disclosures**
Uses the term "**a close member of that person's family"**	Uses the term **"relatives of an individual"**
Includes the persons specified within the meaning of 'relative' under the Companies Act 1956 and that person's domestic partner, children of that person's domestic partner and dependants of that person's domestic partner.	Covers the spouse, son, daughter, brother, sister, father and mother who may be expected to influence, or be influenced by, that individual in his/her dealings with the reporting enterprise. Hence, the definition as per Ind AS 24 is much wider.
Covers KMP of the parent as well.	Covers key management personnel (KMP) of the entity only
Does not include such clarificatory text and allows respective standards to deal with the same.	Includes clarificatory text, primarily with regard to control, substantial interest (including 20% threshold), significant influence (including 20% threshold).
Ind AS 27	**AS 21**
Consolidated and Separate Financial Statements	**Consolidated Financial Statements**

IND AS	Existing AS
Makes the preparation of Consolidated Financial Statements mandatory for a parent.	Does not mandate the preparation of Consolidated Financial Statements by a parent.
Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.	the definition of control given in the existing AS 21 is rule-based, which requires the ownership, directly or indirectly through subsidiary(ies), of more than half of the voting power of an enterprise; or control of the composition of the board of directors in the case of a company or of the composition of the corresponding governing body in case of any other enterprise so as to obtain economic benefits from its activities.
Existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether an entity has control over the subsidiary.	For considering share ownership, potential equity shares of the investee held by investor are not taken into account.
Non-controlling interests shall be presented in the consolidated balance sheet within equity separately from the parent shareholders' equity.	Minority interest should be presented in the consolidated balance sheet separately from liabilities and equity of the parent's shareholders.
Ind AS 33	**AS 20**
Earnings per Share	**Earnings per Share**
Requires presentation of basic and diluted EPS from continuing and discontinued operations separately.	Does not require any such disclosure.
As per Ind AS 1, Presentation of Financial Statements, no item can be presented as extraordinary item, Ind AS 33 does not require the aforesaid disclosure.	Requires the disclosure of EPS with and without extraordinary items.
Ind AS 37	**AS 29**
Provisions, Contingent Liabilities and Contingent Assets,	**Provisions, Contingent Liabilities and Contingent Assets**
Requires creation of provisions in respect of constructive obligations also. The terms 'legal obligation' and 'constructive obligation' have been inserted and defined	NA
Requires discounting the amounts of provisions, if effect of the time value of money is material.	Prohibits discounting the amounts of provisions.
Requires disclosure of contingent assets in the financial statements when the inflow of economic benefits is probable. The disclosure, however, should avoid misleading indications of the likelihood of income arising.	Notes the practice of disclosure of contingent assets in the report of the approving authority but prohibits disclosure of the same in the financial statements.
Ind AS 38	**AS 26**
Intangible Assets	**Intangible Assets**
In the case of separately acquired intangibles, the criterion of probable inflow of expected future economic benefits is always considered satisfied, even if there is uncertainty about the timing or the amount of the inflow.	There is no such provision.
If payment for an intangible asset is deferred beyond normal credit terms, the difference between this amount and the total payments is recognised as interest expense over the period of credit unless it is capitalised as per Ind AS 23.	There is no such provision.

IND AS	**Existing AS**
Permits an entity to choose either the cost model or the revaluation model as its accounting policy	Revaluation model is not permitted.
The residual value is reviewed at least at each financial year-end. If it increases to an amount equal to or greater than the asset's carrying amount, amortisation charge is zero unless the residual value subsequently decreases to an amount below the asset's carrying amount.	Specifically requires that the residual value is not subsequently increased for changes in prices or value.
Change in the method of amortisation is a change in accounting estimate..	Change in the method of amortisation is a change in accounting policy.
Ind AS 108	**AS 17**
Operating Segments	**Segment Reporting**
Identification of segments under Ind AS 108 is based on 'management approach' i.e. operating segments are identified based on the internal reports regularly reviewed by the entity's chief operating decision maker.	Requires identification of two sets of segments—one based on related products and services, and the other on geographical areas based on the risks and returns approach. One set is regarded as primary segments and the other as secondary segments.
Requires disclosures of revenues from external customers for each product and service. With regard to geographical information, it requires the disclosure of revenues from customers in the country of domicile and in all foreign countries, non-current assets in the country of domicile and all foreign countries. It also requires disclosure of information about major customers	Disclosures in existing AS 17 are based on the classification of the segments as primary or secondary segments. Disclosure requirements for primary segments are more detailed as compared to secondary segments.

STOCK MARKET DATA FOR EQUITY SHARES OF OUR COMPANY

Our Company's Equity Shares are listed and actively traded on BSE and NSE.

- Year is a Financial Year;
- Average price is the average of the daily closing prices of the Equity Shares for the year, or the month, as the case may be;
- High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares, as the case may be, for the year, or the month, as the case may be; and
- In case of two days with the same high / low / closing price, the date with higher volume has been considered.

Stock Market Data of the Equity Shares

The high, low and average closing prices recorded on the BSE and NSE during the last three financial years and the number of Equity Shares traded on the days the high and low prices were recorded are stated below:

Year ending March 31	Date of High	High (₹)	Volume on date of High (Number of Equity Shares)	Date of Low	Low (₹)	Volume on date of low (Number of Equity Shares)	Average price for the year (₹)
BSE							
2017	March 31,-2017	58.20	90,104	April 5, 2016	13.10	456,352	25.63
2016	April 15, 2015	40.90	248,926	March 29, 2016	13.90	459,571	29.65
2015	February 23, 2015	41.30	626,278	April 1, 2014	17.95	829,010	26.48
NSE							
2017	March 31, 2017	58.40	1,569,743	April 5, 2016	13.05	1,927,600	25.64
2016	April 15, 2015	41.00	901,931	March 29, 2016	13.85	2,210,134	29.64
2015	February 23, 2015	41.35	1,684,258	April 1, 2014	18.00	1,409,311	26.48

Source: www.bseindia.com, www.nseindia.com

Prices for the last six months

The total number of days of trading during the past six months from March 1, 2017 to August 31, 2017 is 125. The average volume of Equity Shares traded in the BSE and the NSE were 1,087,209 Equity Shares per day and 3,485,020 Equity Shares per day, respectively.

The high and low prices and volume of Equity Shares traded on the respective dates on the BSE and NSE during the last six months is as follows:

Month	Date	High (₹)	Volume (Number of Equity Shares)	Date	Low (₹)	Volume (Number of Equity Shares)	Volume of trade on monthly basis
BSE							
March, 2017	March 31, 2017	58.20	90,104	March 7, 2017	35.05	270,912	41,570,148
April, 2017	April 26, 2017	125.20	2,106,030	April 3, 2017	61.10	47,134	18,574,783
May, 2017	May 31, 2017	158.00	599,170	May 3, 2017	102.20	636,842	26,487,511
June, 2017	June 22, 17	199.25	1,713,986	June 12, 2017	146.10	2,776,807	21,575,911

Month	Date	High (₹)	Volume (Number of Equity Shares)	Date	Low (₹)	Volume (Number of Equity Shares)	Volume of trade on monthly basis
July, 2017	July 27, 2017	202.70	918,161	July 7, 2017	161.10	1,018,986	13,580,898
August, 2017	August 31, 2017	222.40	993,897	August 10, 2017	165.50	1,478,980	14,111,851
NSE							
March, 2017	March 31, 2017	58.40	1,569,743	March 7, 2017	35.10	679,884	76,481,348
April, 2017	April 26, 2017	125.25	11,224,714	April 3, 2017	61.30	329,707	84,202,701
May, 2017	May 31, 2017	157.60	4,104,617	May 3, 2017	102.30	2,232,427	82,242,382
June, 2017	June 22, 2017	199.40	8,486,341	June 7, 2017	146.10	2,920,393	77,300,897
July, 2017	July 27, 2017	202.95	4,495,210	July 7, 2017	161.00	4,987,191	55,255,055
August, 2017	August 31, 2017	222.00	2,929,025	August 10, 2017	167.65	7,229,050	60,145,130

Source: www.bseindia.com, www.nseindia.com

The Board of our Company has approved the Issue at their meeting held on September 21, 2017. The high and low prices of our Company's shares as quoted on the BSE and NSE on September 22, 2017, the day on which the trading happened immediately following the date of the Board meeting is as follows:

Date	Volume (No. of Equity Shares)	High (₹)	Low (₹)
BSE			
September 22, 2017	791,682	256.70	235.20
NSE			
September 22, 2017	4,016,842	256.55	235.50

Source: www.bseindia.com, www.nseindia.com

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (i) criminal litigation involving our Company, Subsidiaries, Directors, Promoters or Group Companies; (ii) actions taken by any statutory or regulatory authorities against our Company, Subsidiaries, Directors, Promoters or Group Companies; or (iii) claim involving our Company, Subsidiaries, Directors, Promoters or Group Companies for any direct or indirect tax liabilities, respectively, on a consolidated basis.

Further, except as stated in this section, there are no (i) outstanding proceedings initiated for economic offences against our Company; (ii) pending defaults or non-payment of statutory dues by our Company; (iii) material fraud against our Company in the last five years immediately preceding the date of this Draft Letter of Offer; (iv) inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company or Subsidiaries during the last five years immediately preceding the year of this Draft Letter of Offer; (v) prosecutions filed (whether pending or not); compounding of offences or fines imposed under the Companies Act against our Company and Subsidiaries, in the last five years immediately preceding the year of this Draft Letter of Offer; (vi) litigation or legal action, pending or taken, against our Promoters by any ministry or Government department or statutory authority during the last five years immediately preceding this Draft Letter of Offer; (vii) other pending litigations involving our Company, Subsidiaries, Directors, Promoters, Group Companies or any other person, as determined to be material by our Board of Directors, in accordance with the SEBI ICDR Regulations; or (viii) outstanding dues to creditors of our Company as determined to be material by our Board of Directors, in accordance with the SEBI ICDR Regulations; and (ix) outstanding dues to small scale undertakings and other creditors; and (x) overdues or defaults to banks or financial institutions by our Company.

*With respect to point (vii) above, the securities issuance committee of our Board, in its meeting held on September 26, 2017, has adopted a policy for identification of material legal proceedings ("**Materiality Policy**"). For the purposes of disclosure, pursuant to the SEBI ICDR Regulations and the Materiality Policy, (i) all pending litigation involving our Company, Subsidiaries, Directors, Promoters and Group Companies, other than criminal proceedings and statutory or regulatory actions, would be considered 'material' if the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of ₹10.00 million, or (ii) pending proceedings involving the abovementioned persons whose outcome may have a bearing on the business, operations or prospects or reputation of our Company, are considered 'material', and disclosed in this Draft Letter of Offer.*

It is clarified that for the purposes of the above, pre-litigation notices (other than notices involving actions by statutory or regulatory authorities) received by our Company, Subsidiaries, Directors, Promoters and the Group Companies shall, unless otherwise decided by the Board, not be considered as litigation until such time that our Company or any of our Subsidiaries, Directors, Promoters and our Group Companies, as the case may be, is impleaded as a defendant in litigation proceedings before any judicial forum.

*Further, with respect to point (viii) above, our Board, in its meeting held on September 26, 2017, determined that outstanding dues to creditors in excess of 10% of our Company's trade payables, being ₹3.41 million as per our Restated Consolidated Financial Statements for the Financial Year ended March 31, 2017, shall be considered as material dues ("**Material Dues**"). Details of outstanding dues to creditors including small scale undertakings as required under the SEBI ICDR Regulations have been disclosed on our website at www.indibullsventures.com.*

Unless stated to the contrary, the information provided in this section is as of the date of this Draft Letter of Offer. All terms defined in a summary pertaining to a particular litigation shall be construed only in respect of the summary of the litigation where such term is used.

LITIGATION INVOLVING OUR COMPANY

(a) ***Outstanding criminal proceedings involving our Company***

(i) *Criminal proceedings against our Company*

1. Ms. Vinod Kumar Arora filed a criminal complaint in February 2008 under section 200 of Code of Criminal procedure, 1973 before the Court of the Metropolitan Magistrate, Patiala House Court, New Delhi, against, amongst others, an ex-employee of our Company ("**Respondent 1**", and our Company (collectively, the "**Respondents**") (the "**Complaint**"), alleging that the Resondents had sold certain securities of the Complainant without the Complainant's consent. An order dated March 11, 2013 was passed by Metropolitan Magistrate, New Delhi summoning the Respondents under sections 406 and 420 of the Indian Penal Code, 1860. Subsequently, the Respondents filed a petition bearing number 3274/2013 on August 12, 2013 before the High Court of Delhi for quashing the Complaint. The matter is currently pending.

2. Ms. Piyush Kant Vishwarkma ("**Petitioner**") filed a revision petition dated December 7, 2012, bearing number 3933/2012, before Hon'ble High Court of Judicature at Allahabad against an order dated September 6, 2012 passed by Additional Judicial Magistrate, Allahabad which dismissed the complaint dated January 30, 2006 filed by the Petitioner (the "**Complaint**"). The Complaint was filed by the Petitioner under section 200 of Code of Criminal Procedure, 1973 against, amongst others, an ex-employee of our Company, and our Company, in relation to disagreements regarding certain transactions in his securities trading account. The matter is currently pending.

(ii) *Criminal proceedings by our Company*

1. Our Company, in the ordinary course of business, has initiated 17 proceedings against defaulting customers under section 138 of the Negotiable Instruments Act, 1881 for dishonor of cheques caused due to insufficiency of funds in the customer's account ("**Section 138 Cases**") approximately involving ₹3,649,598. The matters are pending before various stages of adjudication.

2. Our Company, instituted 45 proceedings against defaulting customers under section 200 of the Code of Criminal Procedure, 1973 in relation to payment defaults (the "**Proceedings**"). Two of our customers, namely, Binod Kumar Bhagchandka and Girija Shikhir Agarwal, have filed quashing petitions against the orders passed by Metropolitan Magistrate, New Delhi, in relation to two of the Proceedings. The matters are pending.

(b) *Outstanding litigation involving our Company*

(i) *Civil proceedings against our Company*

1. Mr. Rasiklal Gangani ("**Plaintiff**") filed a plaint against our Company ("**Defendant**"), on January 15, 2011, before the Court of Civil Judge, Senior Division, Panaji ("**Civil Court**") through which the Plaintiff alleged that the Defendant had made unauthorised sale of securities without the consent of the Plaintiff. The Plaintiff approached the grievance cell of NSE, where his claims were rejected. The Plaintiff has claimed an aggregate amount of approximately ₹47,691,663 from our Company on account of the alleged unauthorised sale of securities by our Company. Our Company filed an application on April 7, 2011 before the Civil Court at Panaji stating that a member constituent agreement ("**Agreement**") was entered into between the Plaintiff and Defendant which sets out that any dispute pursuant to the Agreement would be settled by arbitration. The Civil Court at Panaji has rejected our Company's application by its order dated April 21, 2016. Subsequently our Company has filed a writ petition on September 14, 2016 before the High Court of Bombay at Goa ("**High Court**") against the said order. The High Court, by its order dated December 9, 2016, stayed the proceedings of the suit before the Civil Court at Panaji and the matter is pending.

2. Mr. Ram Kanwar (HUF) ("**Petitioner**") filed an arbitration petition against our Company ("**Respondent**"), NSE and SEBI, amongst others, on November 3, 2015 ("**Arbitration Petition**"), before the District Judge Patiala House Court, Delhi ("**Court**") under section 34 of the Arbitration and Conciliation Act, 1996. In the Arbitration Petition, the Petitioner has alleged that the Respondent made unauthorised derivatives trades, *suo motu*, without the consent of the Petitioner; and that these trades were in violation of the National Stock Exchange of India (Future and Option Segments) Trading Regulations, 2000 and other circulars,

notifications and guidelines issued by SEBI. Further, the Petitioner has claimed an aggregate amount of approximately ₹1,300,000 from our Company on account of the alleged unauthorised and illegal derivate trades made by us. It is pertinent to note that prior to filing the Arbitration Petition, the Petitioner has made similar allegations/ submissions to the arbitral tribunal and the appellate arbitral tribunal at NSE (in accordance with the applicable bye-laws enacted by NSE); who, by orders dated March 24, 2014 and July 31, 2015 respectively, have dismissed the contentions of the Petitioner. Our Company has filed a response to the Arbitration Petition dated November 3, 2015 wherein our Company denied all allegations made by the Petitioner. The matter is currently pending.

3. Ms. Nirmal Garg ("**Petitioner**") filed an arbitration petition against our Company ("**Respondent**"), NSE and SEBI, amongst others, on April 11, 2016 ("**Arbitration Petition**"), before the Patiala House Court, Delhi ("**Court**") under section 34 of the Arbitration and Conciliation Act, 1996. In the Arbitration Petition, the Petitioner has alleged that the Respondent made unauthorised derivatives trades, *suo motu,* without the consent of the Petitioner; and that these trades were in violation of the National Stock Exchange of India (Future and Option Segments) Trading Regulations, 2000 and other circulars, notifications and guidelines issued by SEBI. Further, the Petitioner has claimed an aggregate amount of approximately ₹1,150,000 from our Company on account of the alleged unauthorised and illegal derivate trades made by us. It is pertinent to note that prior to filing the Arbitration Petition, the Petitioner has made similar allegations/ submissions to the arbitral tribunal and the appellate arbitral tribunal at NSE (in accordance with the applicable bye-laws enacted by NSE); who, by orders dated July 31, 2015 and January 14, 2016 respectively, have dismissed the contentions of the Petitioner. Our Company filed a response to the Arbitration Petition dated April 11, 2016 wherein we denied all allegations made by the Petitioner. The matter is currently pending.

(ii) *Civil proceedings by our Company*

There are no material civil proceedings initiated by our Company as on the date of this Draft Letter of Offer.

(c) *Actions by statutory or regulatory authorities against our Company*

(i) Our Company received a show cause notice dated October 5, 2007 ("**Show Cause Notice**") by SEBI alleging that our Company had entered into trading transactions in violation of the SEBI (Prohibition of Fraudulent and Unfair Trade Practises relating to Securities Market) Regulations, 2003. Our Company replied to the Show Cause Notice on November 27, 2007, pursuant to which there was a hearing before the Adjudicating Officer ("**AO**") appointed by SEBI. The AO in his order dated February 25, 2009 ("**Order**") imposed a penalty on our Company amounting to ₹1.5 million. Pursuant to the Order, our Company filed an appeal dated February 23, 2011 before the Securities Appellate Tribunal ("**SAT**") to set aside the Order passed by the AO. SAT, by its order dated October 26, 2010 ("**SAT Order**") set aside the Order. Further, SEBI filed an appeal before the Supreme Court of India to set aside the SAT Order. The matter is currently pending.

(ii) Our Company received a show cause notice, dated May 22, 2017 ("**Show Cause Notice**") from SEBI in relation to preferential allotment of 24,650,000 Equity Shares pursuant to conversion of warrants on March 7, 2017 by two of our promoters, namely, Orthia Constructions Private Limited and Zelkova Builders Private Limited, resulting in increase in the shareholding of the promoter and promoter group of our Company from 33.45% to 38.59% (aggregating to an increase of 5.14%). Pursuant to the Show Cause Notice, it has been alleged that such an increase in the shareholding of our promoter and promoter group would trigger the requirement to make an open offer to the public shareholders of our Company in accordance with Regulation 3(2) of the Takeover Regulations. By way of a letter dated June 14, 2017, addressed to SEBI, our Company denied the allegations contained in the Show Cause Notice. Thereafter, by way of an email, SEBI advised our Company to provide certain additional clarifications; and details in relation to the conversion of warrants, which our Company has addressed through its letter dated August 23, 2017. The matter is currently pending.

(iii) SEBI conducted an inspection of the books of accounts of our Company in November, 2006. During such inspection, certain irregularities relating to our broking operations, functioning of our branches and systems operations were observed by SEBI. Accordingly, on July 10, 2009, SEBI served a show cause notice bearing number AO/PS/DM/IBSL/169301/2009 ("**Show Cause Notice**") to our Company, alleging, amongst other things, violation of Regulation 21 of the Stock Broker Regulations, the code of conduct under the Stock Broker Regulations, and breach of certain compliances under SEBI and NSE circulars making our Company liable for penalty under sections 15A, 15C and 15HB of the SEBI Act, 1992. During the pendency of the adjudication proceedings pursuant to the Show Cause Notice, our Company, by application dated September 3, 2009, proposed settlement of the proceedings in accordance with SEBI Circular No. EFD/ED/Cir-1/2007 dated April 20, 2007. Further, our Company has, by way of its reply dated June 15, 2010 requested for a personal hearing before the High Powered Advisory Committee of SEBI. Thereafter, pursuant to certain appearances before the Internal Committee of SEBI, and the High Powered Advisory Committee of SEBI followed by a subsequent special purpose inspection conducted by SEBI, it was concluded that our Company had complied with all issues raised during the special purpose inspection. On February 21, 2014, our Company's consent application was placed before the High Powered Advisory Committee of SEBI for the second time; and at their meeting held on September 26, 2014, the High Powered Advisory Committee of SEBI recommended settlement of the matter upon payment of ₹10,000,000 by our Company towards settlement charges. Our Company has deposited the settlement amount of ₹10,000,000 on November 28, 2014; post which, by way of a settlement order (consent order no. MIRSD/EAD-6/AO/AK/229/2014) dated December 19, 2014, the adjudication proceedings initiated by way of the Show Cause Notice were disposed off.

(iv) SEBI appointed an adjudicating officer to conduct an investigation into dealings in the futures and options ("**F&O**") segment of NSE during the period between February 1, 2005 and March 31, 2005. Pursuant to the investigation, trading members who had an approximate close out difference value of ₹1,000,000 and above during the aforementioned period were identified, total of 47 trading members (including our Company) were shortlisted. Thereafter, on March 31, 2008, SEBI served our Company with a show cause notice bearing number A&E/BS/ASG/121839/2008 ("**Show Cause Notice**"), alleging, amongst other things, violation of the SEBI Stock Broker Regulations and the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, in respect of our dealings in the F&O segment. By way of letter number ISL/BBY/LEGAL/2008/344, dated May 2, 2008, our Company denied the allegations contained in the Show Cause Notice. Subsequently, by way of a letter dated February 27, 2009, our Company requested SEBI to submit the matter to a consent proceedings in terms of SEBI Circular bearing number EFD/ED/Cir-I/2007 dated April 20, 2007 ("**Consent Application**"); and in the interim, hold the proceedings in abeyance. SEBI rejected our Consent Application on technical grounds, by way of letter dated March 20, 2009. Thereafter, by way of a letter dated June 18, 2009, addressed to SEBI, our Company offered ₹500,000 towards settlement, in response to which SEBI issued a letter to our Company, on January 12, 2011, advising it to attend an Internal Committee ("**IC**") meeting, to arrive at mutually agreed settlement terms and to submit the revised consent terms. Accordingly, by a letter dated June 3, 2011, our Company increased its earlier proposal, as set out in the Consent Application, and offered ₹1,000,000 as settlement terms; and on November 28, 2011, SEBI rejected our proposal. Thereafter, by way of letter dated September 30, 2016, our Company received a notice for another hearing on October 19, 2016. Pursuant to this hearing, a revised consent application was submitted by our Company on October 19, 2016. On July 26, 2017, SEBI returned our Company's consent application. The matter is currently pending.

(d) ***Tax proceedings involving our Company***

Nature of case	Number of cases	Amount involved (₹ in million)
Direct Tax	2	6,991,020
Indirect Tax	Nil	Nil

In July 2016, an on spot search was conducted at certain offices of our Company by officials of the Income Tax Department under the Indian tax laws. In the course of the search, the tax officials inspected certain documents at the searched premises. Thereafter, our Company has from time to time duly provided information requested by the officials of the Income Tax Department; however, no statutory notice or order creating a tax liability on our Company has been received from the Income Tax Department.

(e) ***Proceedings initiated against our Company for economic offences***

As on the date of this Draft Letter of Offer, there are no proceedings that have been initiated against our Company for any economic offences.

(f) ***Material frauds against our Company***

No material frauds have been committed against our Company during the past five years.

(g) ***Details of inquiries, inspections or investigations initiated or conducted under the Companies Act, 1956 or Companies Act, 2013***

No inspections, inquiries or investigations have been initiated or conducted against our Company under the Companies Act, 1956 or the Companies Act, 2013 during the past five years.

(h) ***Outstanding litigation against any other person(s) or companies whose outcome could have an adverse effect on our Company***

There are no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule V of the Companies Act, 2013, show cause notices or legal notices pending against any person or company whose outcome could affect the operations or finances of our Company or have a material adverse effect on the position of our Company.

(i) ***Details of prosecutions filed (whether pending or not), fines imposed or compounding of offences effected in the last five years from the date of filing of this Draft Letter of Offer***

There have been no prosecutions filed, fines imposed or compounding of offences, in which our Company has been involved, effected in the last five years from the date of filing of this Draft Letter of Offer.

(j) ***Default and non-payment of statutory dues***

As on the date of this Draft Letter of Offer, there are no outstanding defaults in the payment of statutory dues.

(k) ***Outstanding dues to small scale undertakings and any other creditors***

In terms of the Materiality Policy, our Company considers outstanding dues to creditors in excess of 10% of the total trade payables of our Company as at March 31, 2017, on consolidated basis based on the Restated Financial Statements, as material dues.

As on March 31, 2017, as per our Restated Consolidated Financial Statements, we had 118 creditors to whom a total amount amounting to ₹3.41 million was outstanding. There are no material creditors in terms of the Materiality Policy. Further, as on March 31, 2017, there are no outstanding dues to any small scale undertakings.

Complete details of outstanding dues to our creditors as on March 31, 2017 are available at the website of our Company, *www.indiabullsventures.com*

Information provided on the website of our Company is not a part of this Draft Letter of Offer and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source *of information, including our Company's website, www.indiabullsventures.com, would be doing so at their own risk.*

LITIGATION INVOLVING OUR SUBSIDIARIES

(a) ***Outstanding criminal proceedings involving our Subsidiaries***

(i) *Criminal proceedings against our Subsidiaries*

Ms. Manisha Patlankar ("**Petitioner**") filed a criminal case bearing number 431 of 2011 under section 200 of the Code of Criminal Procedure, 1973, before the Court of the Judicial Magistrate, First Class, Kalyan. In the complaint, the Petitioner alleged, amongst others, that an ex-employee of ICL had enticed the Petitioner into opening an account with ICL based on false representations. The matter is currently pending.

(ii) *Criminal proceedings by our Subsidiaries*

1. IVLFL, in the ordinary course of business has initiated 25 proceedings against defaulting customers under section 138 of the Negotiable Instruments Act, 1881 for dishonor of cheques caused due to insufficiency of funds in the customer's account approximately involving an amount of ₹101,552,125. The matters are pending before various courts.

2. IBCL, in the ordinary course of business has initiated 5 proceedings against defaulting customers under section 138 of the Negotiable Instruments Act, 1881 for dishonor of cheques caused due to insufficiency of funds in the customers' account involving an amount of ₹4,455,000. The matters are pending before various courts at various stages of adjudication.

(b) ***Outstanding litigation involving our Subsidiaries in accordance with the Materiality Policy***

(i) *Civil proceedings against our Subsidiaries*

There are no material civil proceedings against our Subsidiaries as on the date of this Draft Letter of Offer.

(ii) *Civil proceedings by our Subsidiaries*

There are no material civil proceedings initiated by our Subsidiaries as on the date of this Draft Letter of Offer.

(c) ***Actions by statutory or regulatory authorities against our Subsidiaries***

Nil

(d) ***Tax proceedings involving our Subsidiaries***

Nature of case	Number of cases	Amount involved (₹ in million)
Direct Tax	3	21,524,950
Indirect Tax	Nil	Nil

(e) ***Details of inquiries, inspections or investigations initiated or conducted under the Companies Act, 1956 or Companies Act, 2013***

No inspections, inquiries or investigations have been initiated or conducted against our Subsidiaries under the Companies Act, 1956 or the Companies Act, 2013 during the past five years from the date of filing of this Draft Letter of Offer.

(f) ***Details of prosecutions filed (whether pending or not), fines imposed or compounding of offences effected in the last five years***

There have been no prosecutions, fines imposed or compounding of offences against any of our

Subsidiaries during the last five years.

LITIGATION INVOLVING OUR DIRECTORS

(a) *Outstanding criminal proceedings involving our Directors*

(i) Criminal proceedings against our Directors

1. Ms. Sadiya Yusuf and Ms. Sania Yusuf ("**Petitioners**") have filed a criminal revision petition before the Court of the Sessions Judge, Patiala House Court, Delhi, against, amongst others, Athena Infrastructure Limited ("**Athena**"); its holding company, Indiabulls Real Estate Limited ("**IREL**"); Mr. Labh Singh Sitara, a director of Athena, and Mr. Sameer Gehlaut, as a director of IREL, to set aside an order of the Chief Metropolitan Magistrate dated October 7, 2016 ("**Impugned Order**"). The Impugned Order dismissed the application of the Petitioner under section 156(3) of the Code of Criminal Procedure, 1973, alleging that they had been induced into booking a flat at an upcoming project of Athena by way of aggressive advertising, criminal breach of trust, embezzlement of funds, misappropriation with fraudulent intention, cheating and criminal conspiracy; and praying that an order be passed directing the police to register a first information report in the matter, impound the passports of the accused and secure the amount invested in the flat by the Petitioners, being ₹18.06 million ("**Disputed Amount**"). The Petitioners also filed a consumer complaint in September 2015 before the National Consumers Dispute Redressal Commission for the recovery of the Disputed Amount. The matter is currently pending.

2. Raghani Property Holdings Private Limited (the "**Complainant**"), filed a petition dated April 19, 2017, under sections 406,409,420 and 506 read with sections 34 and 120B of the Indian Penal Code, 1860, before the Court of the Metropolitan Magistrate, Calcutta ("**Court**") against Lucina Land Development Limited, Indiabulls Housing Finance Limited ("**IHFL**"), Mr. Sameer Gehlaut, Mr. Labh Singh Sitara, Mr. Gagan Banga (collectively, the "**Accused Directors"**) and others (collectively, the "**Defendants**") (the "**Petition**"). The Complainant has alleged that the Defendants have engaged in an 'Interest Subvention Scheme' inducing proposed buyers of housing units in their project to avail financial support from them. On April 25, 2017, the Court passed an order ("**Order**") stating that there are sufficient grounds under law for the parties involved in the Petition to proceed with the Petition. Thereafter, on June 30, 2017, IHFL and the Accused Directors filed a petition before the High Court at Calcutta, seeking to quash the Petition as well as the Order. On July 5, 2017, the Court passed an order directing the proceedings against IHFL and the Accused Directors to be stayed for a period of six weeks. The matter is currently pending hearing.

3. Deccan Chronicle Holdings Limited (the "**Applicant**") filed four separate applications dated November 8, 2016, before the Judicial Magistrate, First Class, Gurgaon ("**Judicial Magistrate**"), under section 340 of the Code of Criminal Procedure, 1973, against, amongst others, Indiabulls Housing Finance Limited ("**IHFL**"), Mr. Sameer Gehlaut and Mr. Gagan Banga (the "**Directors**"), alleging, amongst other things, that IHFL had committed perjury by submitting false affidavits in complaint numbers 2377, 2379, 2570 and 3308 of 2015 filed by it, under section 138 of the Negotiable Instruments Act, 1881 ("**Applications**"); and the Directors have been impleaded (in their capacity as directors of IHFL). By way of reply dated January 12, 2017 filed before the Judicial Magistrate, IHFL has denied all the allegations contained in the Applications. The matter is listed for arguments on October 16, 2017.

(ii) Criminal proceedings by our Directors

There are no criminal proceedings that have been initiated by our Directors as on the date of this Draft Letter of Offer.

(b) *Material outstanding litigation involving our Directors in accordance with the Materiality Policy*

(i) Civil proceedings against our Directors

There are no civil proceedings against our Directors as on the date of this Draft Letter of Offer.

(ii) Civil proceedings by our Directors

There are no criminal proceedings that have been initiated by our Directors as on the date of this Draft Letter of Offer.

(c) ***Actions by statutory or regulatory authorities against our Directors***

Nil

(d) ***Tax proceedings involving our Directors***

Nature of case	Number of cases	Amount involved (₹ in million)
Direct Tax	Nil	-
Indirect Tax	Nil	-

(e) ***Proceedings initiated against our Directors for economic offences***

As on the date of this Draft Letter of Offer, there are no proceedings that have been initiated against our Directors for any economic offences.

LITIGATION INVOLVING OUR PROMOTERS

(a) ***Outstanding criminal proceedings involving our Promoters***

(i) *Criminal proceedings against our Promoters*

1. Ms. Manisha Rajgaria had filed a complaint before Judicial Magistrate, Alipore, Kolkata under section 406, 420 and 120B of Indian Penal Code, against Indiabulls Housing Finance Limited ("**IBHFL**"), Mr. Sameer Gehlaut and others in relation to a dispute regarding loan transactions. It was alleged by the complainant that IBHFL intended to defraud her from the inception of the transaction and that there had been a criminal breach of trust. Summons were issued against IBHFL and Mr. Sameer Gehlaut and IBHFL filed a petition for quashing the complaint and summoning the order passed by Judicial Magistrate, Alipore, Kolkata. The Hon'ble Calcutta High Court stayed the proceedings pending adjudication before Judicial Magistrate, Alipore, Kolkata. The matter is currently pending.

2. Mr. Satya Narayan Singh (the "**Complainant**") had filed a complaint before the Court of Judicial Magistrate, Ist class, Vrindawan, District Mathura against our Company, Mr. Sameer Gehlaut (in the capacity of Director of our Company) and others in relation to disagreements regarding certain transactions in his securities trading account (the "**Complaint**"). Mr. Satya Narayan Singh alleged that he was incited to enter into security transactions by officials of our Company, and thereafter an official of the company, who was also named in the Complaint had disposed of shares belonging to the Complainant and appropriated the monies, thereby depriving him of his rightful monies from the sale of the aforementioned securities. Mr. Sameer Gehlaut was not a director or officer of our Company during the period of these allegations. Additionally, the police authorities filed the relevant closure report stating that no cognizable offence had been made out. The matter is currently pending.

3. Mr. Ramesh Kumar Gupta had filed a complaint before the court of Judicial Magistrate, Kaithal (Haryana) ("**Judicial Magistrate**") against our Company, Mr. Sameer Gehlaut (in the capacity of Director of our Company), Mr. Gagan Banga (in the capacity of an official of our Company) and others in relation to a dispute regarding certain transactions in his securities trading account (the "**Complaint**"). It was alleged by Mr. Ramesh Kumar Gupta that there was an unauthorized trading done in his trading account by the officials of our Company. Through a letter dated October 6, 2006, our Company denied the allegations contained in the Complaint, and stated that Mr. Sameer Gehlaut had no role in the dispute and was not even director of our Company during the time of the allegations and Mr. Gagan Banga catered to policy matters and was not involved with day-to-day trading transactions, and hence he had no role in the dispute. The police investigation has been completed and the police authorities filed its closure report stating that no cognizable offence had been made out. The matter is currently pending for closure before the Judicial Magistrate.

For details in relation to the criminal proceedings against Mr. Sameer Gehlaut, please see "– *Criminal Proceedings against our Directors*" on page 377.

4. Mr. Rishi Modi (the "**Complainant**") has filed a complaint before Chief Judicial Magistrate, Patiala under section 200 of the Code of Criminal Procedure, against Mr. Sameer Gehlaut and others in relation to a dispute regarding possession of property taken under the SARFAESI Act by the secured lender in a loan under default. The Complainant has filed a complaint under section 420, 471 and 474 of the Indian Penal Code. It has been learnt that summons have been issued in the matter and the next date is December 1, 2017. The matter is currently pending.

(ii) *Criminal proceedings by our Promoters*

There are no criminal proceedings that have been initiated by our Promoters as on the date of this Draft Letter of Offer.

(b) ***Material outstanding litigation involving our Promoters in accordance with the Materiality Policy***

(i) *Civil proceedings against our Promoters*

There are no civil proceedings against our Promoters as on the date of this Draft Letter of Offer.

(ii) *Civil proceedings by our Promoters*

There are no civil proceedings that have been initiated by our Promoters as on the date of this Draft Letter of Offer.

(c) ***Actions by statutory or regulatory authorities against our Promoters***

Nil

(d) ***Tax proceedings involving our Promoters***

Nature of case	Number of cases	Amount involved (₹ in million)
Direct Tax	Nil	-
Indirect Tax	Nil	-

(e) ***Litigation on legal action by any Ministry or Department of the Government of India or any statutory authority in the last five years***

There is no litigation or legal action pending or taken by a ministry, department of the Government of India or statutory authority during the last five years preceding the date of this Draft Letter of Offer against our Promoters.

LITIGATION INVOLVING OUR GROUP COMPANIES

(a) ***Outstanding criminal proceedings involving our Group Companies***

(i) *Criminal proceedings against our Group Companies*

For details in relation to the criminal proceedings against our Group Companies, please see "– *Criminal Proceedings against our Subsidiaries*" on page 376.

(ii) *Criminal proceedings by our Group Companies*

For details in relation to the criminal proceedings initiated by our Group Companies, please see "– *Criminal Proceedings by our Subsidiaries*" on page 376.

(b) ***Material outstanding litigation involving our Promoters in accordance with the Materiality Policy***

(i) *Civil proceedings against our Group Companies*

There are no civil proceedings against our Group Companies as on the date of this Draft Letter of Offer.

(ii) *Civil proceedings by our Group Companies*

There are no civil proceedings initiated by our Group Companies as on the date of this Draft Letter of Offer.

(c) *Actions by statutory or regulatory authorities against our Group Companies*

Nil

(d) *Tax proceedings involving our Group Companies*

For details in relation to the tax proceedings involving our Group Companies, please see "*–Tax proceedings involving our Subsidiaries*" on page 376.

MATERIAL DEVELOPMENTS

For details in relation to the material developments involving our Company, please see "*Material Developments*" on page 332, and ***"****Management's Discussion And Analysis Of Financial Condition And Results Of Operations"* on page 334.

GOVERNMENT AND OTHER APPROVALS

Our Company and our Subsidiaries have received the necessary consents, licenses, permissions, registrations and approvals from the Government, various governmental agencies and other statutory and/ or regulatory authorities required for carrying out our present business activities and except as mentioned below, no further material approvals are required for carrying on our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Draft Letter of Offer and in case of licenses and approvals, which have expired, we have either made an application for renewal or are in the process of making an application for renewal:

I. Incorporation details

1. Certificate of incorporation dated June 9, 1995 issued by the RoC to our Company, in its former name, being GPF Securities Private Limited.

2. Fresh certificate of incorporation dated December 15, 1995 issued by the RoC to our Company consequent upon change of name to Orbis Securities Private Limited.

3. Fresh certificate of incorporation dated January 5, 2004 issued by the RoC to our Company consequent upon change of name to Orbis Securities Limited pursuant to conversion of our Company from private limited company to public limited company.

4. Fresh certificate of incorporation dated February 16, 2004 issued by the RoC to our Company consequent upon change of name to Indiabulls Securities Limited.

5. Fresh certificate of incorporation, dated March 12, 2015 issued by the RoC to our Company consequent upon change of name to Indiabulls Ventures Limited.

II. Approvals in relation to the Issue

1. Resolution of our Board of Directors dated September 21, 2017, authorizing the Issue.

2. RBI approval dated [●] approving Rights Entitlement renounced by and to person/entities outside India/resident in India.

3. In-principle approval from the BSE dated [●].

4. In-principle approval from the NSE dated [●].

III. Approvals in relation to our business

Approvals granted to our Company

1. Certificate of registration dated March 18, 2013 issued by SEBI under the SEBI (Depositories and Participants) Regulations, 1996 to our Company. The registration number INDPCDSL2042003 was allotted to our Company. The certificate of registration is valid until suspended or cancelled in accordance with the SEBI (Depositories and Participants) Regulations, 1996.

2. Certificate of registration dated May 12, 2015 issued by SEBI under the SEBI (Stock Brokers and Sub-brokers) Regulations, 1992 to our Company. The registration number INZ000007534 was allotted to our Company. The certificate of registration is valid until suspended or cancelled in accordance with the SEBI (Stock Brokers and Sub-brokers) Regulations, 1992.

3. Certificate of registration dated March 17, 2017 issued by AMFI granted to our Company for enrolling as an AMFI Registered Mutual Fund Advisor. The registration number ARN-17795 was allotted to our Company and the registration is valid till March 16, 2020.

4. Certificate of registration dated June 20, 2017 issued by SEBI under the SEBI (Research Analysts) Regulation, 2014 to our Company. The registration number INH100004906 was allotted to our Company and the registration shall be valid until it is suspended or cancelled by SEBI.

5. Certificate of registration dated September 5, 2017 issued by SEBI under the SEBI (Merchant Bankers) Regulations, 1992 to our Company. The registration number INM000012421 was allotted to our Company and the registration shall be valid until it is suspended or cancelled by SEBI.

Approvals granted to our Subsidiaries

1. Certificate of registration dated March 22, 2016 issued by SEBI under the SEBI (Stock Brokers and Sub-brokers) Regulations, 1992 to ICL. The registration number INZ000036136 was allotted to ICL. The certificate of registration is valid until suspended or cancelled in accordance with the SEBI (Stock Brokers and Sub-brokers) Regulations, 1992.

2. Certificate of registration dated August 18, 2016 issued by SEBI under the SEBI (Alternative Investment Funds) Regulations, 2012 to IAIL. The registration number IN/AIF2/16-17/0252 was allotted to IAIL. The certificate of registration is valid until suspended or cancelled in accordance with the SEBI (Stock Brokers and Sub-brokers) Regulations, 1992.

3. Certificate of registration dated December 13, 2016 bearing number B-1400909 issued by the Department of Non-Banking Supervision, to IVLFL, for commencement of the business of non-banking financial institution without accepting public deposits.

4. Certificate of registration dated May 19, 2017 bearing number 024/2017 issued by the Department of non-Banking Regulation, RBI under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 to IARCL.

5. Certificate of registration dated July 27, 2017 issued by Uttar Pradesh Real Estate Regulatory Authority under the Real Estate (Regulation and Development) Act, 2016 to IIAL. The registration number UPRERAAGT10238 was allotted to IIAL. The certificate of registration is valid till July 27, 2022.

6. Certificate of registration dated August 21, 2017 issued by Tamil Nadu Real Estate Regulatory Authority under the Real Estate (Regulation and Development) Act, 2016 to IIAL. The registration number TN/29/Agent/0024/2017 was allotted to IIAL. The certificate of registration is valid till August 20, 2022.

7. Certificate of registration dated August 28, 2017 issued by Haryana Real Estate Regulatory Authority under the Real Estate (Regulation and Development) Act, 2016 and Haryana RERA Rules, 2017 to IIAL. The certificate of registration is valid till August 27, 2022.

8. Certificate of registration dated September 11, 2017 issued by Gujarat Real Estate Regulatory Authority under the Real Estate (Regulation and Development) Act, 2016 to IIAL. The registration number AG/GJ/AHMEDABAD/AHMADABAD CITY/AUDA/AA00091/110922R1 was allotted to IIAL. The certificate of registration is valid till September 11, 2022.

9. Certificate of registration valid till August 24, 2022 issued by Karnataka Real Estate Regulatory Authority under the Real Estate (Regulation and Development) Act, 2016 to IIAL. The registration number AG/KN/170728/000124 was allotted to IIAL.

10. Certificate of registration dated May 9, 2017 issued by Maharashtra Real Estate Regulatory Authority under the Real Estate (Regulation and Development) Act, 2016 to IIAL. The registration number A51900000082 was allotted to IIAL in its erstwhile name, 'Indiabulls Brokerage Limited', which was changed to 'Indiabulls Investment Advisors Limited on May 12, 2017. Our Company has intimated Maharashtra Real Estate Regulatory Authority in relation to the change of name as mentioned above. The certificate of registration is valid till May 9, 2022

IV. Licenses or approvals applied for and pending

Our Company and its Subsidiaries have not applied for any licenses or approvals which are yet to be received.

V. Licenses or approvals applied for and rejected

Our Company and its Subsidiaries have not applied for any licenses or approvals which have been rejected.

VI. Licenses not applied for by the Company and its Subsidiaries

Neither our Company nor any of its Subsidiaries is undertaking activities for which a license is required and not applied for.

VII. INTELLECTUAL PROPERTY RIGHTS

(a) ***Our Company has obtained the following trademark registrations***:

Sr. No.	Trade mark	Class	Application number	Date of application	Validity	Status
1.	c Indiabulls	9	1329503	December 31, 2004 (renewed on September 22, 2014)	December 31, 2024	Registered
2.	Indiabulls	42	1329504	December 31, 2004 (renewed on September 27, 2017)	December 31, 2024	Registered

(b) ***Our Company has applied for the following trademarks***:

Sr. No.	Trade mark	Class	Application number	Date of application	Status
1.	Indiabulls VENTURES	36	3584382	July 4, 2017	Pending
2.	eACCOUNT Gateway to e-trade	99	3499035	March 2, 2017	Pending
3.	Indiabulls eACCOUNT Gateway to e-trade	99	3502064	March 3, 2017	Pending

(c) ***Our Subsidiaries have obtained the following trademarks:***

IDSL

Sr. No.	Trade mark	Class	Application number	Date of application	Validity	Status
1	Ib homesearch.in Indiabulls DISTRIBUTION SERVICES LTD.	16	3018187	July 28, 2015	July 28, 2025	Registered

Sr. No.	Trade mark	Class	Application number	Date of application	Validity	Status
2	Ib homesearch.in Indiabulls DISTRIBUTION SERVICES LTD.	42	3018188	July 28, 2015	July 28, 2025	Registered
3	Ib homesearch.in Indiabulls DISTRIBUTION SERVICES LTD.	36	3018189	July 28, 2015	July 28, 2025	Registered

(d) ***Our Subsidiaries have applied for the following trademarks***:

IVLFL

Sr. No.	Trade mark	Class	Application number	Date of application	Status
1.	Dhani	9	3613789	August 16, 2017	Pending
2.	Dhani	36	3613790	August 16, 2017	Pending
3.	Dhani PHONE SE LOAN!	9	3613797	August 16, 2017	Pending
4.	Dhani PHONE SE LOAN!	36	3613798	August 16, 2017	Pending
5.	IB Dhani	9	3613791	August 16, 2017	Pending
6.	IB Dhani	36	3613792	August 16, 2017	Pending
7.	IB Dhani PHONE SE LOAN!	9	3613795	August 16, 2017	Pending
8.	IB Dhani PHONE SE LOAN!	36	3613796	August 16, 2017	Pending
9.	Indiabulls Dhani	9	3613787	August 16, 2017	Pending
10.	Indiabulls Dhani	36	3613788	August 16, 2017	Pending
11.	Indiabulls Dhani PHONE SE LOAN!	9	3613793	August 16, 2017	Pending

12.	indiabulls Dhani PHONE SE LOAN!	36	3613794	August 16, 2017	Pending
13.	Dhani PHONE SE LOAN!	36	3613798	August 16, 2017	Pending
14.	PHONE SE LOAN!	36	3613800	August 16, 2017	Pending
15.	PHONE SE LOAN!	9	3613799	August 16, 2017	Pending

ICPL

Sr. No.	Trade mark	Class	Application number	Date of application	Status
1.	Indiabulls CONSUMER PRODUCTS LTD	35	3483077	February 14, 2017	Pending
2.	IB LED Indiabulls CONSUMER PRODUCTS LTD	35	3483079	February 14, 2017	Pending
3.	IB LED Indiabulls CONSUMER PRODUCTS LTD	99	3483086	February 14, 2017	Pending
4.	Indiabulls CONSUMER PRODUCTS LTD	99	3483084	February 14, 2017	Pending

IDSL

Sr. No.	Trade mark	Class	Application number	Date of application	Status
1.	Ib homesearch.in badhein manzil ki ore...	36	3048445	September 7, 2015	Pending
2.	Ib homesearch.in badhein manzil ki ore...	16	3048446	September 7, 2015	Pending
3.	Ib homesearch.in badhein manzil ki ore...	42	3048447	September 7, 2015	Pending

IIAL

Sr. No.	Trade mark	Class	Application number	Date of application	Status
1.	Ibhomesearch.in	35	3620046	August 24, 2017	Pending
2.	Ibhomesearch.in	36	3620047	August 24, 2017	Pending
3.	Ibhomesearch.in	45	3620048	August 24, 2017	Pending
4.	Indiabulls INVESTMENT ADVISORS	35	3620043	August 24, 2017	Pending
5.	Indiabulls INVESTMENT ADVISORS	45	3620045	August 24, 2017	Pending
6.	Indiabulls INVESTMENT ADVISORS	36	3620044	August 24, 2017	Pending

(e) We have been granted the non-exclusive, royalty free consent and permission to use the "POWER INDIABULLS (Word Mark)" by Indiabulls Housing Finance Limited, the sole and exclusive owner of the mark, by a letter dated July 14, 2017.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

Our Board has approved the Issue pursuant to the resolution passed at their meeting held on September 21, 2017.

The Board or committee thereof in their meeting held on [●] have determined the Issue Price as ₹[●] per Rights Equity Share and the Rights Entitlement as [●] Rights Equity Share(s) for every [●] fully paid-up Equity Share(s) held on the Record Date. The Issue Price has been arrived at in consultation with the Lead Manager.

Our Company has received in-principle approvals from BSE and NSE under Regulation 28 of the SEBI Listing Regulations for listing of the Rights Equity Shares to be allotted in the Issue pursuant to their letters dated [●] and [●], respectively.

RBI APPROVAL FOR RENUNCIATION

Our Company will make an application to RBI for approval in relation to the following:

Rights entitlement renounced by a shareholder	Rights entitlement renounced in favour of
Resident in India	Any person resident outside India (other than OCB)
Resident outside India	Any person resident in India
Resident outside India	Any person resident outside India (other than OCB)

In all the above cases, our Company will ensure that the Rights Equity Shares Allotted will be at the Issue Price as may be decided by our Company in consultation with the Lead Manager.

In terms of Regulation 6 of FEMA 20, the existing Non-Resident shareholders may subscribe for additional Rights Equity Shares over and above their respective Rights Entitlements.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our Directors, the members of the Promoter Group, the Group Entities, and the natural persons in control of the Corporate Promoters have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which our Promoter, Directors or persons in control of our Company are or were associated as promoter, directors or persons in control have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

All Directors of our Company are associated with securities market to the extent of their directorship in our Company. Further, Diyesh Shah is associated as a director of Indiabulls Commodities Limited and Gagan Banga is associated as a director of IAIL. There are no inquiries/adjudications/prosecutions initiated by SEBI and/ or any administrative order issued by SEBI against IAIL. The details of any actions initiated by SEBI against our Company and ICL are as mentioned below:

Indiabulls Ventures Limited

A. Details of inquiries/adjudications/prosecutions initiated by SEBI against our Company:

1. Our Company received a show cause notice dated June 24, 2002 from SEBI under Regulation 13(2) of the SEBI (Procedure For Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002 in the matter involving Amara Raja Batteries Limited ("**Show Cause Notice**"). In relation to the Show Cause Notice, it was observed by SEBI that our Company failed to exercise due skill and care while transacting on behalf of clients. By its order dated August 2, 2002, SEBI directed our Company to exercise more caution in the future.

2. Our Company received a show cause notice dated June 30, 2005 from SEBI under Regulation 13(2) of the SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002 in respect of inspection of books of accounts conducted by SEBI for the period between April 2000 and August 2002 ("**Show Cause Notice**"). It was observed by SEBI, amongst others, that our Company traded as a sub-broker before obtaining a SEBI registration and a censure order dated February 2, 2006 was passed by SEBI against our Company.

3. Our Company received a show cause notice dated June 7, 2006 from SEBI in relation to dealing in shares by a few intermediaries in an IPO during the period between 2003 to 2005 ("**Show Cause Notice**"). Adjudication proceedings were initiated pursuant to the Show Cause Notice, which were disposed of by an order dated December 5, 2007 since the adjudication officer did not observe any violation on our Company's part.

4. SEBI passed an ad interim ex-parte order against our Company on June 18, 2007 in relation to synchronized reversal trades by our Company in the future and options ("**F&O**") segment of NSE (the "**Order**"). The Order directed our Company to cease and desist from indulging in non-genuine or irregular trade transactions in F&O contracts.

5. Our Company received a show cause notice dated June 27, 2008 from SEBI under Rule 4 of the SEBI (Procedure Holding Inquiry and Imposing Penalties by Adjudication Officer) Rules, 1995 in relation to the investigations in the scrip of Mega Corporation Limited ("**Show Cause Notice**"). In the Show Cause Notice, SEBI observed, amongst others, that our Company failed to exercise due skill, care and diligence while trading for connected clients. Adjudication proceedings initiated pursuant to the Show Cause Notice were settled by SEBI by its order dated September 22, 2011.

6. Our Company received a show cause notice dated June 27, 2008 from SEBI under Rule 4 of the SEBI (Procedure Holding Inquiry and Imposing Penalties by Adjudication Officer) Rules, 1995 in relation to the investigations in the scrip of Karuna Cable Limited ("**Show Cause Notice**"). Adjudication proceedings were initiated pursuant to the Show Cause Notice. However, the Show Cause Notice was disposed of by an order dated July 29, 2010.

7. SEBI issued a warning to our Company by an order dated May 29, 2009 in relation to, amongst others, deficiencies in complying with KYC norms by our Company (the "**Order**"). The Order was issued pursuant to an inspection conducted by SEBI under provisions of SEBI (Intermediaries) Regulations, 2008 during October 2005.

8. Our Company received a show cause notice dated May 25, 2009 from SEBI in relation to an inquiry conducted under Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudication Officer) Rules, 1995 in relation to trading in the scrip of IFSL Limited ("**Show Cause Notice**"). The Show Cause Notice was disposed of by an adjudication order dated January 13, 2011.

9. Our Company received a show cause notice dated October 8, 2010 from SEBI in relation to inspections conducted by SEBI during September 2009 and January 2010 ("**Show Cause Notice**"). It was observed by SEBI that our Company had, amongst others, submitted misleading information. Adjudication proceedings were initiated pursuant to the Show Cause Notice, which were subsequently disposed of by a SEBI order dated December 28, 2012 (the "**Order**"). Additionally, the Order imposed a penalty of ₹400,000 on our Company.

10. Our Company received a show cause notice on from SEBI October 18, 2011 under SEBI (Intermediaries) Regulations, 2008, in relation to, amongst others, wrong margin reporting, code modification without informing the Stock Exchanges. The proceedings were settled by SEBI through its order dated January 2, 2013 which imposed a penalty of ₹510,000 on our Company.

11. Our Company received a show cause notice dated July 10, 2009 from SEBI under Rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995, pursuant to inspections held by SEBI in November 2006. It was observed that, amongst others, our Company failed to make proper records pertaining to investor complaints. The proceedings were settled by an order dated December 19, 2014 passed by SEBI which imposed a penalty of ₹10,000,000 on our Company.

12. Adjudication proceedings were initiated against our Company pursuant to a show cause notice dated March 31, 2008 issued by SEBI to our Company under Rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995. The Show Cause Notice was issued in relation to synchronized reversal trades by our Company in the futures and options ("**F&O**") segment, during February and March 2005. The matter is currently pending.

B. Administrative Orders issued by SEBI against our Company:

13. Our Company received a warning letter dated May 22, 2007 from SEBI, in the matter involving Millennium Cybertech Limited, for entering into structured and synchronized trades.

14. Our Company received a warning letter dated September 14, 2007 from SEBI, in the matter involving Vijay Textiles Limited, for entering into structured and synchronized trades.

15. Our Company received a warning letter dated May 22, 2008 from SEBI, in the matter involving Today's Writing Products Limited, for entering into structured and synchronized trades.

16. Our Company received a warning letter dated May 26, 2008 from SEBI, in the matter involving Adani Exports Limited, for entering into structured and synchronized trades.

17. Our Company received a warning letter dated June 13, 2008 from SEBI, in relation to trades executed by its clients in the shares of ICICI Bank, VSNL, and RIL which allegedly impacted the closing price of the scrips.

18. Our Company received a warning letter dated July 18, 2008 from SEBI, in the matter involving Property Development Corporation Limited for execution of incremental orders placed by the clients.

Pursuant to receipt of the administrative orders mentioned in point no. 13 to 18 above, our Company has taken certain remedial measures, including, amongst others, redefining its risk management policy, monitoring clients with high turnovers on a daily basis, and placing checks in transactions by clients in illiquid stocks.

19. Our Company received a deficiency letter dated July 7, 2013 ("**Letter**") from SEBI, in relation to our Company not reconciling and reporting complaints received from depositories during 2012. As a corrective measure our Company is regularly reconciling complaints received.

20. Our Company received an administrative order dated September 26, 2013 from SEBI, in relation to credit being provided by our broker against cash provided by a client in the year 2012. As a corrective measure additional checks and balances were introduced by our Company and Company is providing training to support staff.

21. Our Company received a deficiency letter dated August 14, 2017 ("Letter") from SEBI, pursuant to inspection conducted during period between March 8, 2016 till March 10, 2016, in relation to lesser annual management charges being levied on clients with power of attorneys for operating demat accounts. As a corrective measure, our Company has revised its charge schedule and annual management charges have been made equal for clients with power of attorney and without power of attorney.

C. Inspection of Stock Exchanges

22. Regular inspection of our Company was conducted by NSE durig March 2013 and certain observations were made pertaining to maintenance of dividend ledgers, non segregation of transaction of client bank accounts and short collection of margin from the clients trading in capital market segment and monetary fine of ₹5,000 was levied on our Company.

Indiabulls Commodities Limited

1. Due to not obtaining prior approval by Indiabulls Commodities Limited from the commodities exchanges consequent to change in shareholding pattern of the Company, NCDEX has twice levied a penalty of ₹5,000 each on Indiabulls Commodities Limited on February 16, 2017 and June 2, 2017, respectively.

2. A deficiency letter dated August 10, 2017 was issued to ICL by SEBI in relation to an inspection of the trading division conducted by SEBI between January 16, 2017 and January 20, 2017 ("**Deficiency Letter**"). Pursuant to the Deficiency Letter, it was observed, amongst others, that repetitive clauses should not be in the non-mandatory part of the Client Registration Form (the "**Form**") which are similar to clauses covered in the mandatory section of the Form. Subsequently, ICL has taken corrective measures such as, amongst others, making changes in the non-mandatory documents of the Form.

3. The forward markets commission ("**FMC**") conducted inspections on Indiabulls Commodities Limited for the periods between April 1, 2010 to September 30, 2011 and Fiscal Year 2013. During the inspections, FMC found deficiencies in client registration forms and margin collections from clients, amongst other things. Indiabulls Commodities Limited has undertaken remedial action in relation so such inspection findings, which includes, amongst others, amendments in the client registration documents, collections of margin amounts from clients, and conducting settlement of clients' running accounts. Pursuant to such inspections, a penalty of ₹939,171 was imposed on Indiabulls Commodities Limited in aggregate by both NCDEX and MCX.

4. MCX conducted inspection of book of accounts and other related documents of ICL for the period from April 1, 2011 to March 31, 2012, and levied penalty aggregating to ₹32,166 in relation to non/ partial collection of margins from clients and issue of contract notes otherwise than in the prescribed format (i.e. dealing office address was not mentioned on the contract notes).

For details of registration with SEBI of our Company, ICL and IAIL, please see "*Government and Other Approvals*" on page 381.

Except as mentioned above, no other Director is associated with the securities market in any manner and there has been no action taken by SEBI against the Directors or any entity in which any of the Directors is involved as a promoter or director, as on date.

For details in relation to any actions or notices issued by SEBI to our Company, Directors, Promoters and Group Companies, please see "*Outstanding Litigations and Material Developments*" on page 371.

PROHIBITION WITH RESPECT TO WILFUL DEFAULTERS

Neither our Company, nor our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters, Directors, Group Entities, have been identified as a Wilful Defaulter.

ELIGIBILITY FOR THE ISSUE

Our Company is incorporated under the Companies Act, 1956 and our Equity Shares are listed on BSE and NSE. The GDRs of our Company are listed on the Luxembourg Stock Exchange. We are eligible to undertake the Issue in terms of Chapter IV of the SEBI ICDR Regulations.

Pursuant to clause 3 (a) and 3 (b) of Part E of Schedule VIII of the SEBI ICDR Regulations, our Company is required to make disclosures as per Part A of Schedule VIII of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THIS DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT LETTER OF OFFER. THE LEAD MANAGER, AXIS CAPITAL LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 28, 2017, WHICH READS AS FOLLOWS:

WE, THE LEAD MANAGER TO THE ABOVEMENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, AND OTHER MATERIALS IN CONNECTION WITH THE FINALISATION OF THIS DRAFT LETTER OF OFFER PERTAINING TO THE ISSUE;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**

   (A) THE DRAFT LETTER OF OFFER FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;

   (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC, FRAMED / ISSUED BY SECURITIES AND EXCHANGE BOARD OF INDIA, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

   (C) THE DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, AS AMENDED AND REPLACED BY THE COMPANIES ACT, 2013, TO THE EXTENT IN FORCE, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED, AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT LETTER OF OFFER ARE REGISTERED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA AND THAT TILL DATE SUCH REGISTRATION IS VALID.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – <u>NOT APPLICABLE</u>**

5. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**

6. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013, AND THAT SUCH MONIES SHALL BE RELEASED BY**

THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY, SPECIFICALLY CONTAINS THIS CONDITION. – <u>NOT APPLICABLE. THIS BEING A RIGHTS ISSUE, SECTION 40 (3) OF THE COMPANIES ACT, 2013 IS NOT APPLICABLE. FURTHER, TRANSFER OF MONIES RECEIVED PURSUANT TO THE ISSUE SHALL BE RELEASED TO THE COMPANY AFTER FINALISATION OF THE BASIS OF ALLOTMENT IN COMPLIANCE WITH REGULATION 56 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURES REQUIREMENTS) REGULATIONS, 2009.</u>

7. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT LETTER OF OFFER THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.**

8. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED, HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

9. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER:**

   (A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND

   (B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA FROM TIME TO TIME.

10. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED, WHILE MAKING THE ISSUE. –<u>NOTED FOR COMPLIANCE</u>**

11. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF THE CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER'S EXPERIENCE, ETC.**

12. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**

13. **WE ENCLOSE THE STATEMENT ON PRICE INFORMATION ON PAST ISSUES HANDLED BY THE LEAD MANAGER (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE), AS PER THE FORMAT SPECIFIED BY THE SECURITIED AND EXCHANGE BOARD OF INDIA THROUGH CIRCULAR. – <u>NOT APPLICABLE FOR A RIGHTS ISSUE</u>**

14. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – <u>COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS OF THE COMPANY REPORTED, IN ACCORDANCE WITH ACCOUNTING STANDARD 18, IN THE FINANCIAL STATEMENTS INCLUDED IN THE DRAFT LETTER OF OFFER.</u>**

The filing of this Draft Letter of Offer does not, however, absolve our Company or any person who has authorised the issue of this Draft Letter of Offer from any liabilities under Section 34 or Section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the Issue. SEBI further reserves the right to take up at any point of time, with the Lead Manager, any irregularities or lapses in this Draft Letter of Offer.

Caution - Disclaimer from our Company, our Directors and the Lead Manager

Our Company, the Directors, and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Letter of Offer, or in the advertisements or any other material issued by us or by any other person at our instance and anyone placing reliance on any other source of information, including our Company's website www.indiabullsventures.com or the respective websites of our Subsidiaries, members of the Promoter Group or Group Entities, would be doing so at his or her own risk.

Our Company and the Lead Manager shall make all information available to the Eligible Equity Shareholders and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer with SEBI.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Equity Shares and rights to purchase the Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

Investors who invest in the Issue will be deemed to have represented to our Company and Lead Manager, and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares, and are relying on independent advice/ evaluation as to their ability and quantum of investment in the Issue.

Our Company, the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares. The Lead Manager and its affiliates may engage in transactions with, and perform services for our Company and our Group Companies or affiliates in the ordinary course of business and have engaged, or may in the future engage, in transactions with our Company and our Group Companies or affiliates, for which they have received and may in the future receive, compensation.

Disclaimer in respect of jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, India only.

Disclaimer clause of BSE

As required, a copy of this Draft Letter of Offer has been submitted to the BSE. The Disclaimer Clause as intimated by the BSE to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

Disclaimer clause of the NSE

As required, a copy of this Draft Letter of Offer has been submitted to the NSE. The Disclaimer Clause as intimated by NSE to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

Filing

This Draft Letter of Offer has been filed with the Corporation Finance Department of the SEBI, located at SEBI Bhawan, C – 4A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, India for its observations. After SEBI gives its observations, the Letter of Offer will be filed with the Designated Stock Exchange.

SELLING RESTRICTIONS

The distribution of this Draft Letter of Offer and the issue of Rights Entitlements and Rights Equity Shares by way of Issue to persons in certain jurisdictions outside India may be restricted by the legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer may come are required to inform themselves about and observe such restrictions. We are making this Issue of Rights Equity Shares on a rights basis to our Eligible Equity Shareholders and will dispatch the Letter of Offer / Abridged Letter of Offer and CAFs only to the Eligible Equity Shareholders who have provided an Indian address.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlement or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on directly or indirectly, in whole or in part, to any other person or published, in whole or in part, for any purpose. If this Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlement referred to in this Draft Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Rights Equity Shares or accepting any provisional allotment of Rights Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Rights Equity Shares or Rights Entitlement.

Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to this date.

IMPORTANT INFORMATION FOR INVESTORS – ELIGIBILITY AND TRANSFER RESTRICTIONS

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act, or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof ("United States" or "U.S.") or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act ("Regulation S"), except in a transaction not subject to, or exempt from the registration requirements of the Securities Act. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. The Rights Entitlements referred to in this Draft Letter of Offer are being offered in India, but not in the United States. The offering to which this Draft Letter of Offer is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights. Accordingly, this Draft Letter of Offer should not be forwarded to or transmitted in or into the United States at any time.

In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirement of the Securities Act. Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. Envelopes containing a CAF should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer, no payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of the Equity Shares in India. Our Company is making this issue of Equity Shares on a rights basis to the Eligible Equity Shareholders of our Company and this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer and CAF will be dispatched to the Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlement and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed: (i) that it is not and that, at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; (ii) it is not a U.S. person and does not have a registered address (and is not otherwise located) in the United States; and (iii) is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company reserves the right to treat as invalid any Application which: (i) does not include the certification set out in the Application to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorised to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations; (ii) appears to our Company or its agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application is incomplete or acceptance of such Application may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application. Rights Entitlement may not be transferred or sold to any person in the United States.

NOTICE TO GDR HOLDERS

The GDRs of our Company were issued pursuant to the deposit agreement between the Company and Deutsche Bank Trust Company Americas ("**Depositary**") dated April 14, 2008 ("**Deposit Agreement**"). Pursuant to the provisions of the Deposit Agreement, the Depositary has appointed ICICI Bank Limited as Custodian to receive and hold on its behalf the share certificates in respect of certain equity shares. Our GDRs are listed on the Luxembourg Stock Exchange.

The Depositary for the Equity Shares underlying the GDRs will deal with the Rights Entitlements corresponding to the GDRs in accordance with the applicable laws and in the manner specified in the Deposit Agreement entered into for the issuance of the GDRs.

European Economic Area

This document has been prepared on the basis that any offer of securities in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State") will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of securities. Accordingly, any person making or intending to make an offer in that Relevant Member State of securities which are the subject of the offering contemplated in this document may only do so (i) in circumstances in which no obligation arises for the Company or the Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Company nor the Lead Manager have authorised, nor do they authorise, the making of any offer of securities in circumstances in which an obligation arises for the Company or the Lead Manager to publish or supplement a prospectus for such offer. Neither the Company nor the Lead Manager have authorised, nor do they authorise, the making of any offer of securities through any financial intermediary, other than offers made by the initial purchasers, which constitute the final placement of the securities contemplated in this document. The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU."

In relation to each Relevant Member State, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") an offer of securities which are the subject of the offering contemplated by this Prospectus Supplement may not be made to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such securities to the public in that Relevant Member State:

1. to any legal entity which is a qualified investor, as defined in the Prospectus Directive (as defined below);
2. to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive or supplement a prospectus pursuant to Article 16 at the Prospectus Directive), subject to obtaining the prior consent of the relevant Lead Managers nominated by the Company for any such offer; or

3. at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer shall result in a requirement for the publication by the Company or the Lead Manager of a prospectus or the initial purchaser of a prospectus pursuant to Article 3 of the Prospectus Directive and each person who initially acquires any Equity Shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed with the Lead Manager and the Company that it is a qualified investor within the meaning of the law of the Relevant Member State implementing Article 2(1)I of the Prospectus Directive or any measure implementing the Prospectus Directive in any Relevant Member State.

Hong Kong

This document has not been reviewed or approved by or registered with any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this prospectus, you should obtain independent professional advice. No person may offer or sell in Hong Kong, by means of any document, any securities other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer or invitation to the public within the meaning of that Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32). No person may issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the securities which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made thereunder or to any persons in the circumstances referred to in paragraph (ii) above.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the shares under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

As described more fully under the caption *"Notice to Investors"*, there are certain restrictions regarding the Rights Entitlements and Rights Equity Shares that affect potential investors. These restrictions are restrictions on the ownership of Equity Shares by such persons following the offer.

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act, or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof ("United States" or "U.S.") or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act ("Regulation S"), except in a transaction not subject to, or exempt from the registration requirements of the Securities Act.

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlement or Rights Equity Shares within the U.S. by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act. Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made.

Eligible Investors

The Rights Entitlements and the Rights Equity Shares are being offered and sold only to persons who are outside the U.S. and are not U.S. persons, nor persons acquiring for the account or benefit of U.S. persons, in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. All persons who acquire the Rights Entitlement or Rights Equity Shares are deemed to have made the representations set forth immediately below.

Rights Equity Shares and Rights Entitlement Offered and Sold in this Issue

Each purchaser acquiring the Rights Entitlement or Rights Equity Shares, by its acceptance of this Draft Letter of Offer and of the Rights Entitlement or Rights Equity Shares, will be deemed to have acknowledged, represented to and agreed with us and the Lead Manager that it has received a copy of this Draft Letter of Offer and such other information as it deems necessary to make an informed investment decision and that:

(1) the purchaser is authorized to consummate the purchase of the Rights Entitlement or Rights Equity Shares in compliance with all applicable laws and regulations;

(2) the purchaser acknowledges that the Rights Entitlements and Rights Equity Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the U.S. and, accordingly, may not be offered or sold within the U.S. or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;

(3) the purchaser is purchasing the Rights Entitlements and Rights Equity Shares in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the Securities Act;

(4) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Rights Entitlement or Rights Equity Shares, is a non-U.S. person and was located outside the U.S. at each time (i) the offer was made to it and (ii) when the buy order for such Rights Entitlement or Rights Equity Shares was originated, and continues to be a non-U.S. person and located outside the U.S. and has not purchased such Rights Entitlement or Rights Equity Shares for the account or benefit of any U.S. person or any person in the United Sates or entered into any arrangement for the transfer of such Rights Entitlement or Rights Equity Shares or any economic interest therein to any U.S. person or any person in the U.S.;

(5) the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

(6) the purchaser is not subscribing for the Rights Entitlements or Rights Equity Shares with a view to the offer, sale, allotment, exercise, resale, renouncement, pledge, transfer, delivery, directly or indirectly, of any such Rights Entitlements or Rights Equity Shares into the United States (as defined in Regulation S). If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Rights Entitlement or Rights Equity Shares , or any economic interest therein, such Rights Entitlement or Rights Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) outside the U.S. in an offshore transaction complying with Rule 903 or Rights Entitlement or Rights Equity Shares Rule 904 of Regulation S and (B) in accordance with all applicable laws, including the securities laws of the states of the U.S. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion,

to remove them, and confirms that the proposed transfer of the Rights Entitlement or Rights Equity Shares is not part of a plan or scheme to evade the registration requirements of the Securities Act;

(7) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the Securities Act in the U.S. with respect to the rights or the Rights Equity Shares;

(8) the purchaser understands that such Rights Entitlement or Rights Equity Shares (to the extent they are in certificated form), unless our Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE RIGHTS EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

(9) the purchaser agrees, upon a proposed transfer of the rights or the Rights Equity Shares, to notify any purchaser of such Rights Entitlement or Rights Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Entitlement or Rights Equity Shares being sold;

(10) our Company will not recognize any offer, sale, pledge or other transfer of such Rights Entitlements or Rights Equity Shares made other than in compliance with the above-stated restrictions; and

(11) the purchaser acknowledges that our Company, the Lead Manager, its respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Rights Entitlements or Rights Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Rights Entitlements or Rights Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Listing

The existing Equity Shares are listed on the BSE and the NSE. We will apply to the BSE and the NSE for obtaining in-principle approvals in respect of the Rights Equity Shares. We will apply to the BSE and the NSE for listing and trading of the Rights Equity Shares. The GDRs of our Company are listed on the Luxembourg Stock Exchange.

If the permission to deal in and for an official quotation of the securities is not granted by any of the Stock Exchanges mentioned above, we shall forthwith repay, without interest, all monies received from applicants in pursuance of the Letter of Offer.

Our Company will issue and dispatch allotment advice/ share certificates/ demat credit and/ or letters of regret along with refund order or credit the allotted Equity Shares to the respective beneficiary accounts, if any, within 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

Consents

Consents in writing of the Directors, the Statutory Auditors, the Lead Manager, Legal Advisors, Registrar to the Issue and the Bankers to the Issue to act in their respective capacities have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

M/s. Deloitte Haskins & Sells LLP, chartered accountants, the Statutory Auditors of the Company, have given their written consent for the inclusion of their report dated September 28, 2017 on the Restated

Financial Statements of our Company in the form and context, included in this Draft Letter of Offer and such consent and report have not been withdrawn up to the date of this Draft Letter of Offer.

A. Sardana & Co., chartered accountants, have given their written consent for the inclusion of the statement of tax benefits dated September 28, 2017 in the form and context, included in this Draft Letter of Offer and such consent and report have not been withdrawn up to the date of this Draft Letter of Offer.

Expert to the Issue

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from M/s. Deloitte Haskins & Sells LLP, chartered accountants, the Statutory Auditors of the Company, to include their name as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of the reports on the Restated Standalone Financial Statements and Restated Consolidated Financial Statements, each dated September 28, 2017, in the form and context, included in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer. However, the term "experts" and consent thereof does not represent an expert or consent within the meaning under the Securities Act.

Our Company has received written consent from A. Sardana & Co., chartered accountants, to include their name as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of the statement of tax benefits dated September 28, 2017, in the form and context, included in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer. However, the term "expert" shall not be construed to mean an "expert" as defined under the Securities Act.

Issue expenses

The expenses of this Issue include, among others, management fees, selling commissions, bidding charges, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees, filing fees, auditors fees and listing fees. For further details of Issue expenses, see "*Objects of the Issue*" on page 110.

Particulars regarding public or rights issues by our Company during the last five years

Our Company has not made any public or rights issues of Equity Shares during the five years preceding the date of this Draft Letter of Offer.

Previous issues of securities otherwise than for cash

Except as disclosed in "*Capital Structure*" on page 83, our Company has not issued any securities for consideration otherwise than for cash.

Performance vis-à-vis objects – Public / rights issue of our Company and / or listed Group Companies, Subsidiaries and associate companies of our Company

Our Company has not undertaken any previous public or rights issue. None of our Group Companies and Subsidiaries of our Company have undertaken any public or rights issue in the last 10 years preceding the date of this Draft Letter of Offer.

Underwriting commission, brokerage and selling commission paid on previous issues of the Equity Shares

No sum has been paid or is been payable as commission or brokerage for any of our previous issue(s) of Equity Shares.

Previous capital issue during the previous three years by listed Group Companies and Subsidiaries of our Company

None of our listed Group Companies and Subsidiaries of our Company have undertaken a capital issue in the last three years preceding the date of this Draft Letter of Offer.

Outstanding debentures or bonds issued by our Company

There are no outstanding debentures or bonds issued by our Company as of the date of filing this Draft Letter of Offer.

Outstanding Preference Shares or convertible instruments issued by our Company

Other than the options outstanding issued to the eligible employees pursuant to the ESOP Schemes and preferential allotment of warrants to the Promoters, our Company does not have any outstanding Preference Shares or convertible instruments as of the date of filing this Draft Letter of Offer.

Investor Grievances and Redressal System

We have adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements under the SEBI Listing Regulations.

The share transfer and dematerialization for us is being handled by Karvy Computershare Private Limited, Registrar and Share Transfer Agent, which is also the Registrar to the Issue. All investor grievances received by us have been handled by the Registrar and Share Transfer agent in consultation with the Compliance Officer.

Our Stakeholders Relationship Committee comprises Alok Kumar Misra (Chairman); Labh Singh Sitara (Member); and Pinank Jayant Shah (Member). Our Stakeholders Relationship Committee oversees the reports received from the Registrar and Share Transfer agent and facilitates the prompt and effective resolution of complaints from our shareholders and investors.

Status of investor complaints

As on date of this Draft Letter of Offer, there are no outstanding investors complaints.

During Fiscal 2017, 128 investors complaints were received and resolved.

During Fiscal 2016, 394 investors complaints were received and resolved.

During Fiscal 2015, 635 investors complaints were received and resolved.

Time normally taken for disposal of various types of investor complaints:

1. Share transfer process: Within 15 days after receiving full set of documents
2. Share transmission process: Within 21 days after receiving full set of documents
3. Issue of duplicate share certificates: Within 45 days after receiving full set of documents
4. Dematerialisation/ Rematerialisation of shares: Within 21 to 30 days after receiving full set of documents
5. Other Complaints: The average time taken by the Registrar for attending to routine grievances will be four to 10 days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to attend to them as expeditiously as possible. Our Company undertakes to resolve the investor grievances in a time bound manner.

Investor Grievances arising out of the Issue

The investor grievances arising out of the Issue will be handled by Karvy Computershare Private Limited, the Registrar to the Issue. The Registrar will have a separate team of personnel handling post-Issue correspondences only.

All grievances relating to the Issue may be addressed to the Registrar to the Issue or the SCSB in case of ASBA Applicants giving full details such as folio no./demat account no., name and address, contact telephone/cell numbers, email id of the first applicant, number of Rights Equity Shares applied for, A serial number of Application Form, amount paid on Application and the name of the bank/ SCSB and the branch where the Application Form was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar for attending to routine grievances will be 7 to 10 days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to attend to them as expeditiously as possible. Our Company undertakes to resolve the investor grievances in a time bound manner.

Registrar to the issue

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli
Financial District, Nanakramguda
Hyderabad – 500 032, India
Telephone: +91 40 6716 2222
Facsimile: +91 40 2343 1551
Email: einward.ris@karvy.com
Investor grievance email: indiabullsventures.rights@karvy.com
Website: www.karisma.karvy.com
Contact Person: M Murali Krishna
SEBI Registration No.: INR000000221

Investors may contact the Compliance Officer in case of any pre-Issue/ post-Issue related problems such as non-receipt of Allotment advice/share certificates/demat credit/refund orders etc. The contact details of the Compliance Officer are as follows:

Mr. Lalit Sharma
Indiabulls House, 448-451
Udyog Vihar, Phase V
Gurugram – 122 016, India
Telephone: +91 124 6681541
Facsimile: +91 124 6681240
Website: www.indiabullsventures.com
Email: lalit.s6@indiabulls.com

Changes in auditors

There have been no changes in the auditors of the Company in the last three years prior to the date of filing of this Draft Letter of Offer. M/s. Deloitte Haskins & Sells LLP will be Statutory Auditors of the Company until the AGM proposed to be held on September 29, 2017 and will not be eligible for re-appointment as statutory auditors of the Company, on account of completion of two terms of five consecutive years as the statutory auditors of the Company, in accordance with the Companies Act, 2013. Our Board has proposed to appoint M/s. Walker Chandiok & Co LLP as the statutory auditors of our Company subject to the approval of the Shareholders at the AGM of our Company proposed to be held on September 29, 2017.

Capitalisation of reserves or profits

Our Company has not capitalised its reserves or profits at any time during the last five years, except as stated in "*Capital Structure*" on page 83.

Disposal of investor grievances by listed companies under the same management

As on the date of this Draft Letter of Offer, there are no companies under same management which are listed.

Revaluation of fixed assets

Our Company has not revalued its assets in the preceding Fiscal Years.

Stock market data for Equity Shares

For stock market data, please see "*Stock Market Data for Equity Shares of our Company*" on page 369.

Minimum Subscription

If our Company does not receive minimum subscription of 90% of the Issue including subscription of any undersubscribed portion by our Promoters and Promoter Group, our Company shall refund the entire subscription amount within the prescribed time. In the event that there is a delay of making refunds beyond such period as prescribed by applicable laws, our Company shall pay interest for the delayed period at rates prescribed under applicable laws. The above is subject to the terms mentioned under "*Terms of the Issue - Basis of Allotment*" on page 403.

SECTION VII – OFFERING INFORMATION

TERMS OF THE ISSUE

The Rights Equity Shares are subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, including the CAF, the SAF, the Memorandum of Association and Articles of Association, the provisions of the Companies Act, the SEBI Listing Regulations, applicable guidelines and regulations issued by SEBI and RBI, or other statutory authorities and bodies from time to time, the uniform Equity Listing Agreements entered into by us, terms and conditions as stipulated in the allotment advice or security certificate and rules as may be applicable and introduced from time to time.

Please note that, in terms of SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, all QIBs, Non-Institutional Investors and other Applicants whose application amount exceeds ₹200,000, complying with the eligibility conditions of SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, can participate in the Issue only through the ASBA process. The Investors who are not (i) QIBs, (ii) Non-Institutional Investors or (iii) Investors whose application amount is more than ₹200,000, can participate in the Issue either through the ASBA process or the non ASBA process. Renouncees are not eligible ASBA investors and must only apply for the Rights Equity Shares through the non ASBA process irrespective of the application value. ASBA Investors should note that the ASBA process involves application procedures that may be different from the procedure applicable to non ASBA process. ASBA Investors should carefully read the provisions applicable to such applications before making their application through the ASBA process.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public issues/rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in their own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, for ensuring compliance with the applicable regulations.

All rights/obligations of the Eligible Equity Shareholders in relation to application and refunds pertaining to the Issue shall apply to the Renouncee(s) as well.

Authority for the Issue

The Issue has been authorised by a resolution of our Board passed at its meeting held on September 21, 2017, pursuant to section 62(1)(a) of the Companies Act.

Basis for the Issue

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories for the purpose of this Rights Issue in respect of the Equity Shares held in the electronic form and on the register of members in respect of the Equity Shares held in physical form at the close of business hours on the Record Date, fixed in consultation with the Designated Stock Exchange.

Principal terms of the Issue

Face Value

Each Rights Equity Share will have the face value of ₹2.

Issue Price

Each Rights Equity Share shall be offered at an Issue Price of ₹[●] for cash at a premium of ₹[●] per Rights Equity Share. The Issue Price has been arrived at, by us in consultation with the Lead Manager.
The Rights Equity Shares will be partly paid-up to the extent of [●]% of the Issue Price along with the Application, [●]% of the Issue Price shall be paid on or before the date of First Call, [●]% of the Issue Price

shall be paid on or before the date of Second Call and [●]% of the Issue Price shall be paid on or before the date of Third and Final Call.

Rights Entitlement

Eligible Equity Shareholders whose name appears as a beneficial owner in respect of the Equity Shares held in the electronic form or in the register of members as an Equity Shareholder as on the Record Date, i.e., [●], are entitled to the number of Rights Equity Shares as set out in Part A of the CAFs.

The distribution of this Draft Letter of Offer, Abridged Letter of Offer and the issue of Rights Equity Shares on rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, Abridged Letter of Offer or CAF may come are required to inform themselves about and observe such restrictions. Our Company is making the issue of the Rights Equity Share to the Eligible Equity Shareholders and this Draft Letter of Offer, the Abridged Letter of Offer and the CAFs will be dispatched only to those Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address. Any person who acquires Rights Entitlements or the Rights Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of this Draft Letter of Offer, the Abridged Letter of Offer and the CAFs, that it is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the U.S. and in other restricted jurisdictions.

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held on the Record Date.

Terms of Payment

The Issue Price of ₹[●] per Rights Equity Share is payable as follows:

Amount payable per Rights Equity Share (₹)	Face Value	Premium	Total
On Application	[●]	[●]	[●]
On First Call*	[●]	[●]	[●]
On Second Call*	[●]	[●]	[●]
On Third and Final Call*	[●]	[●]	[●]
Total			[●]

*Investors shall be required to make the balance payment towards the Call notice by the due date, which shall be separately notified by our Company.

Note:
1. Out of the amount of ₹[●] paid on the Application, ₹[●] would be adjusted towards the face value of the Rights Equity Shares and ₹[●] shall be adjusted towards the premium of the Rights Equity Shares.
2. Out of the amount of ₹[●] paid on First Call, ₹[●] would be adjusted towards the face value of the Rights Equity Shares and ₹[●] shall be adjusted towards the premium of the Rights Equity Shares.
3. Out of the amount of ₹[●] paid on Second Call, ₹[●] would be adjusted towards the face value of the Rights Equity Shares and ₹[●] shall be adjusted towards the premium of the Rights Equity Shares.
4. Out of the amount of ₹[●] paid on Third and Final Call, ₹[●] would be adjusted towards the face value of the Rights Equity Shares and ₹[●] shall be adjusted towards the premium of the Rights Equity Shares.
5. Call notice for First Call, Second Call and Third and Final Call shall be sent by our Company for making the payment towards the balance amount due.
6. Rights Equity Shares in respect of which the Call(s) payable remains unpaid may be forfeited at any time after the due date for payment of the balance amount due.

Procedure for Call Notice(s)

The Company would convene a meeting of the Board to pass the required resolutions for making the Call(s) and suitable intimation would be given by the Company to the Stock Exchanges. Further, advertisements for the same will be published in one (1) English national daily newspaper, one (1) regional language daily newspaper and one (1) in Hindi national daily newspaper, all with wide circulation. The First Call, Second Call and Third and Final Call shall be deemed to have been made at the time when the resolution authorizing each such Call is passed at the meeting of the Board. The Call(s) may be revoked or postponed at the discretion of the Board. Pursuant to the provisions of the Articles of Association of the Company, the Investors would be given at least 14 days' notice for the payment of the Call(s). The Board may, from time to time at its discretion, extend the time fixed for the payments of the Call(s). If the Investors fail to pay the First Call, Second Call or Third and Final Call within the due date fixed by the Board or any extension thereof, the application money already paid may be forfeited.

Record date for Call(s) and suspension of trading

The Company would fix record date giving at least seven days prior notice to the Stock Exchanges for the purpose of determining the list of Equity Shareholders to whom the notice for the Call(s) pursuant to the First Call, Second Call and Third and Final Call would be sent. Once the record date has been fixed, trading in the partly paid Rights Shares for which the Call(s) has been made would be suspended prior to such record date that has been fixed for such Call(s).

Separate ISIN for Partly Paid-up Shares

In addition to the present ISIN for the existing Equity Shares, our Company would obtain a separate ISIN Rights Equity Shares, until fully paid-up. The Rights Equity Shares offered under the Issue will be traded under a separate ISIN for the period as may be applicable under the rules and regulations prior to the record date for the Third and Final Call Notice. The ISIN representing the Rights Equity Shares will be terminated after the Record Date for the Third and Final Call Notice. On payment of the Third and Final Call money in respect of the Rights Equity Shares, such Rights Equity Shares would be fully paid up and merged with the existing ISIN for our Equity Shares.

Listing of Partly Paid-up Equity Shares

The partly paid-up Rights Equity Shares would be listed on the Stock Exchange. For an applicable period, under the rules and regulations, prior to the record date for the Call, the trading of the Rights Equity Shares would be terminated. The process of corporate action for crediting the Rights Equity Shares to the Investors' demat accounts may take about two weeks' time from the last date of payment of the account under the Call notice for the First Call and Second Call, respectively. The process of corporate action for crediting the fully paid-up Rights Equity Shares to the Investors' demat accounts may take about two weeks' time from the last date of payment of the account under the Third and Final Call Notice for the Third and Final Call.

The listing and trading of the partly paid-up Rights Equity Shares shall be based on the current regulatory framework applicable thereto. Any change in the regulatory regime would accordingly affect the schedule.

Fractional Entitlement

The Rights Equity Shares are being offered on a rights basis to the existing Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held as on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Rights Equity Shares or is not in a multiple of [●] Rights Equity Shares, the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity Shareholders whose fractional entitlements are being ignored will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Rights Equity Shares over and above their Rights Entitlement, if any.

For example, if an Eligible Equity Shareholder holds between [●] and [●] Equity Shares, he will be entitled to [●] Rights Equity Shares on a rights basis. He will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if he has applied for the same.

Also, those Eligible Equity Shareholders holding less than [●] Equity Shares and therefore entitled to 'Zero' Rights Equity Share under this Issue shall be dispatched a CAF with 'Zero' entitlement. Such Eligible Equity

Shareholders are entitled to apply for additional Rights Equity Shares and would be given preference in the allotment of one additional Rights Equity Share if, such Eligible Investor Equity Shareholders have applied for the additional Rights Equity Shares. However, they cannot renounce the same to third parties. CAFs with zero entitlement shall be non-negotiable/ non – renounceable.

For example, if an Eligible Equity Shareholder holds between one and [●] Equity Shares, he will be entitled to zero Rights Shares on a rights basis. He will be given a preference for Allotment of one additional Equity Share if he has applied for the same.

Ranking

The Rights Equity Shares being issued shall be subject to the provisions of our Memorandum of Association and Articles of Association. The Rights Equity Shares issued under this Issue shall rank *pari passu*, in all respects including dividend, with our existing Equity Shares.

The voting rights in a poll, whether present in person or by representative or by proxy shall be in proportion to the paid-up value of the Shares held, and no voting rights shall be exercisable in respect of moneys paid in advance, if any.

Mode of payment of dividend

In the event of declaration of dividend, we shall pay dividend to Eligible Equity Shareholders as per the provisions of the Companies Act and the provisions of our Articles of Association.

Listing and trading of Rights Equity Shares proposed to be issued

Our Company's existing Equity Shares are currently listed and traded on BSE (Scrip Code: 532960) and NSE (Scrip Code: IBVENTURES) under the ISIN – INE274G01010.

The Rights Equity Shares proposed to be issued pursuant to the Issue shall, in terms of SEBI Circular No. CIR/MRD/DP/21/2012 dated August 2, 2012, be Allotted under a temporary ISIN that shall be frozen till the time final listing and trading approval is granted by the Stock Exchange. Upon receipt of such listing and trading approval, the Rights Equity Shares proposed to be issued pursuant to the Issue shall be debited from such temporary ISIN and credited in the existing ISIN and thereafter be available for trading.

The listing and trading of the Equity Shares shall be based on the current regulatory framework applicable thereto. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

The Rights Equity Shares allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of the necessary formalities for listing and commencement of trading of the Rights Equity Shares shall be taken within seven Working Days of finalization of Basis of Allotment.

We have made an application for "in-principle" approval for listing of the Equity Shares to the BSE and the NSE and have received such approval from each of the BSE and the NSE pursuant to the letter numbers [●] and [●], dated [●] and [●], respectively.

Our Company will apply to each of the BSE and the NSE for final approval for the listing and trading of the Rights Equity Shares. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or that the price at which the Rights Equity Shares offered under the Issue will trade after listing on the Stock Exchanges.

Rights of the Equity Shareholder

Subject to applicable laws, the Eligible Equity Shareholders shall have the following rights:

1. Right to receive dividend, if declared;
2. Right to attend general meetings and exercise voting powers, unless prohibited by law;
3. Right to vote in person or by proxy;
4. Right to receive offers for rights shares and be allotted bonus shares, if announced;
5. Right to receive surplus on liquidation;

6. Right to free transferability of Equity Shares; and
7. Such other rights as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum of Association and Articles of Association.

General terms of the Issue

Market Lot

The Rights Equity Shares of our Company are tradable only in dematerialized form. The market lot for the Rights Equity Shares in dematerialised mode is one Equity Share. In case an Eligible Equity Shareholder holds Rights Equity Shares in physical form, we would issue to the allottees one certificate for the Rights Equity Shares allotted to each folio ("**Consolidated Certificate**"). In respect of Consolidated Certificates, we will upon receipt of a request from the respective Eligible Equity Shareholders, split such Consolidated Certificates into smaller denominations within one week's time from the receipt of the request in respect thereof. We shall not charge a fee for splitting any of the Consolidated Certificates.

Joint Holders

Where two or more persons are registered as the holders of any Rights Equity Shares, they shall be deemed to hold the same as joint holders with the benefit of survivorship subject to the provisions contained in the Articles of Association. The CAF is required to be signed by all the joint holders. In case of renunciation, joint holders will sign Part B of the CAF.

Nomination

In terms of section 72 of the Companies Act read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, nomination facility is available in respect of the Rights Equity Shares. An Investor can nominate any person by filling the relevant details in the CAF in the space provided for this purpose.

In case of Eligible Equity Shareholders who are individuals, a sole Equity Shareholder or the first named Equity Shareholder, along with other joint Eligible Equity Shareholders, if any, may nominate any person(s) who, in the event of the death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the Rights Equity Shares. A person, being a nominee, becoming entitled to the Rights Equity Shares by reason of the death of the original Eligible Equity Shareholder(s), shall be entitled to the same advantages to which he would be entitled if he were the registered holder of the Rights Equity Shares. Where the nominee is a minor, the Eligible Equity Shareholder(s) may also make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s), in the event of death of the said holder, during the minority of the nominee. A nomination shall stand rescinded upon the sale of the Equity Shares by the person nominating. A transferee will be entitled to make a fresh nomination in the manner prescribed. Fresh nominations can be made only in the prescribed form available on request at our Registered Office or such other person at such addresses as may be notified by us. The Investor can make the nomination by filling in the relevant portion of the CAF. In terms of section 72 of the Companies Act, any person who becomes a nominee by virtue of the provisions of section 72 of the Companies Act shall upon the production of such evidence as may be required by our Board, elect either:

1. to register himself or herself as the holder of the Rights Equity Shares; or
2. to make such transfer of the Rights Equity Shares, as the deceased holder could have made.

If the person being a nominee, so becoming entitles, elects to be registered as holders of the Rights Equity Shares himself or herself, he or she shall deliver to our Company, a notice in writing signed by him/her stating that he/she so elects and such notice shall be accompanied with the death certificate of the deceased holder.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Rights Equity Shares, and if the notice is not complied with within a period of ninety days, our Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Rights Equity Shares, until the requirements of the notice have been complied with.

Only one nomination would be applicable for one folio. Hence, in case the Eligible Equity Shareholder(s) has already registered the nomination with us, no further nomination needs to be made for Rights Equity Shares that may be allotted in this Issue under the same folio.

In case the allotment of Rights Equity Shares is in dematerialised form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with respective Depositary Participant ("DP") of the investor would prevail. Any investor desirous of changing the existing nomination is requested to inform their respective DP.

Where the Rights Equity Shares are held by more than one person jointly, the nominee shall become entitled to all the rights in the Rights Equity Shares only in the event of death of all the joint holders.

Arrangements for Disposal of Odd Lots

Our Rights Equity Shares are traded in dematerialised form only and therefore the marketable lot is one Equity Share and hence no arrangements for disposal of odd lots are required.

Notices

All notices to the Eligible Equity Shareholder(s) required to be given by us shall be published in one English national daily with wide circulation, one Hindi national daily with wide circulation and one regional language daily newspaper with wide circulation in the state where our registered office is located and/or will be sent by ordinary post/ registered post/ speed post to the registered address of the Eligible Equity Shareholders in India or the Indian address provided by the Eligible Equity Shareholders, from time to time. However, the distribution of this Draft Letter of Offer / Abridged Letter of Offer and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions.

Subscription by the Promoter and Promoter Group

Our Promoters and Promoter Group, by letters dated September 28, 2017, have confirmed that they intend to subscribe to their respective Rights Entitlement in full in the Issue, in compliance with regulation 10(4) of the SEBI Takeover Regulations and may subscribe to additional Rights Equity Shares (including any unsubscribed portion of the Issue).

Such subscription for Rights Equity Shares over and above their Rights Entitlement, if Allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) shall be exempt in terms of Regulation 10 (4) (a) and (b) of the SEBI Takeover Regulations subject to fulfilment of conditions mentioned therein and shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations.

Procedure for Application

The CAF for Rights Equity Shares offered as a part of the Issue would be printed for all Eligible Equity Shareholders. In case the original CAFs are not received by the Eligible Equity Shareholders or is misplaced by the Eligible Equity Shareholders, the Eligible Equity Shareholders may request the Registrar to the Issue, for issue of a duplicate CAF, by furnishing the registered folio number, DP ID, Client ID and their full name and address. In case the signature of the Eligible Equity Shareholder(s) does not match with the specimen registered with us or the DP, the application is liable to be rejected.

Please note that neither our Company, nor the Lead Manager nor the Registrar shall be responsible for delay in the receipt of the CAF/ duplicate CAF attributable to postal delays or if the CAF/ duplicate CAF are misplaced in the transit. Eligible Shareholders should note that those who are making the application in such duplicate CAF should not utilize the original CAF for any purpose, including renunciation, even if the original CAF is received or found subsequently. If any Eligible Shareholder violates any of these requirements, he/she shall face the risk of rejection of both applications.

Please note that in accordance with the provisions of the SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011 QIB Applicants, Non-Institutional Investors and other Applicants whose application amount exceeds ₹200,000 complying with the eligibility conditions prescribed under the SEBI circular no. SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009 must mandatorily participate in the Issue only through the ASBA process. The Investors who are not (i) QIBs, (ii) Non-Institutional

Investors or (iii) Investors whose application amount is more than ₹200,000, can participate in the Issue either through the ASBA process or the non ASBA process.

Please also note that by virtue of the circular No. 14 dated September 16, 2003 issued by the RBI, erstwhile Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of Investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Eligible Shareholder being an erstwhile OCB is required to obtain prior approval from RBI for applying to the Issue.

Composite Application Form ("CAF")

The Registrar will dispatch the CAF to all Eligible Equity Shareholders as per their Rights Entitlement on the Record Date. Those Eligible Equity Shareholders who must apply or who wish to apply through the ASBA process and have complied with the parameters mentioned above will have to select the relevant mechanism in Part A of the CAF and provide necessary details.

CAF in electronic mode will only be available with SCSBs. The Eligible Equity Shareholder shall submit the CAF to the SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the CAF in the said bank account maintained with the same SCSB.

Please note that no more than five Applications (including CAF and plain paper) can be submitted per bank account in the Issue. ASBA Investors are also advised to ensure that the CAF is correctly filled up, stating therein the bank account number maintained with the SCSB in which an amount equivalent to the amount payable on Application as stated in the CAF will be blocked by the SCSB.

The CAF consists of four parts:

- Part A: Form for accepting the Rights Equity Shares offered as a part of this Issue, in full or in part, and for applying for additional Rights Equity Shares;
- Part B: Form for renunciation of Rights Equity Shares;
- Part C: Form for application of Rights Equity Shares by Renouncee(s);
- Part D: Form for request for SAFs.

Option available to the Eligible Equity Shareholders

The CAFs will clearly indicate the number of Rights Equity Shares that the Shareholder is entitled to.

An Eligible Equity Shareholder can:

1. Apply for his Rights Entitlement of Rights Equity Shares in full;
2. Apply for his Rights Entitlement of Rights Equity Shares in part;
3. Apply for his Rights Entitlement of Rights Equity Shares in part and renounce the other part of the Rights Equity Shares;
4. Apply for his Rights Entitlement in full and apply for additional Rights Equity Shares; and
5. Renounce his Rights Entitlement in full.

Acceptance of the Issue

You may accept the offer to participate and apply for the Rights Equity Shares, either in full or in part without renouncing the balance by filling Part A of the CAFs and submit the same along with the application money payable to the collection branches of the Banker to the Issue as mentioned on the reverse of the CAFs before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by our Board in this regard. Investors at centres not covered by the branches of the Banker to the Issue can send their CAFs together with the cheque drawn at par on a local bank at [●], demand draft payable at [●] to the Registrar to the Issue by registered post/ speed post so as to reach the Registrar to the Issue prior to the Issue Closing Date. Please note that neither our Company nor the Lead Manager nor the Registrar to the Issue shall be responsible for delay in the receipt of the CAF attributable to postal delays or if the CAF is misplaced in transit. Such applications sent to anyone other than the Registrar to the Issue are liable to be rejected. For further details on the mode of payment, please see the headings "—*Mode of Payment for Resident Eligible*

Equity Shareholders/ Investors” and “*—Mode of Payment for Non-Resident Eligible Equity Shareholders/ Investors*” on page 433.

Additional Rights Equity Shares

You are eligible to apply for additional Rights Equity Shares over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Rights Equity Shares offered without renouncing them in whole or in part in favour of any other person(s). Applications for additional Rights Equity Shares shall be considered and allotment shall be made at the sole discretion of our Board, subject to sectoral caps and prescribed limits as per applicable laws and and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under “*—Basis of Allotment*” on page 424.

If you desire to apply for additional Rights Equity Shares, please indicate your requirement in the place provided for additional Rights Equity Shares in Part A of the CAF. Renouncee(s) applying for all the Rights Equity Shares renounced in their favour may also apply for additional Rights Equity Shares by indicating the details of additional Rights Equity Shares applied in place provided for additional Rights Equity Shares in Part C of CAF. In terms of Regulation 6 of Notification No. FEMA 20 12000-RB dated May 3, 2000, as amended from time to time, only the existing Non-Resident shareholders may subscribe for additional equity shares over and above the equity shares offered on rights basis by our Company.

Where the number of additional Rights Equity Shares applied for exceeds the number of Rights Equity Shares available for Allotment, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

Renunciation

This Issue includes a right exercisable by you to renounce the Rights Equity Shares offered to you either in full or in part in favour of any other person or persons. Your attention is drawn to the fact that we shall not Allot and/ or register the Rights Equity Shares in favour of more than three persons (including joint holders), partnership firm(s) or their nominee(s), minors, HUF, any trust or society (unless the same is registered under the Societies Registration Act, 1860 or the Indian Trust Act, 1882 or any other applicable law relating to societies or trusts and is authorized under its constitution or bye-laws to hold Equity Shares, as the case may be). Additionally, existing Eligible Equity Shareholders may not renounce in favour of persons or entities in the U.S., or to, or for the account or benefit of a “U.S. person” (as defined in Regulation S), or who would otherwise be prohibited from being offered or subscribing for Rights Equity Shares or Rights Entitlement under applicable securities laws.

Any renunciation: (i) from resident Indian equity shareholder(s) to non-resident(s); (ii) from non-resident equity shareholder(s) to resident Indian(s); or (iii) from a non-resident equity shareholder(s) to other nonresident(s), and subscription of Equity Shares by such renounce are subject to the renouncer(s)/ renouncee(s) obtaining the necessary regulatory approvals.

Our Company will make an application to RBI for approval in relation to the following:

Rights entitlement renounced by a shareholder	Rights entitlement renounced in favour of
Resident in India	Any person resident outside India (other than OCB)
Resident outside India	Any person resident in India
Resident outside India	Any person resident outside India (other than OCB)

In all the above cases, our Company will ensure that the Rights Equity Shares Allotted will be at the Issue Price as may be decided by our Company in consultation with the Lead Manager.

In terms of Regulation 6 of FEMA 20, the existing Non-Resident shareholders may subscribe for additional Rights Equity Shares over and above their respective Rights Entitlements.

Any renunciation other than as stated above is subject to the renouncer(s)/renouncee(s) obtaining the necessary permission of the RBI under the FEMA and such permissions should be attached to the CAF or SAF. In case of applications which are not accompanied by the aforesaid approvals, our Board reserves the right to reject such CAF or SAF.

Renunciations by OCBs

By virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, OCBs have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Accordingly, the existing Eligible Equity Shareholders who do not wish to subscribe to the Rights Equity Shares being offered but wish to renounce the same in favour of Renouncee shall not renounce the same (whether for consideration or otherwise) in favour of OCB(s).

The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/ 2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. Shareholders renouncing their rights in favour of OCBs may do so provided such Renouncee obtains a prior approval from the RBI. On submission of such approval to us at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the CAF.

Part 'A' of the CAF must not be used by any person(s) other than those in whose favour this Issue has been made. If used, this will render the application invalid. Submission of the CAF to the Banker to the Issue at its collecting branches specified on the reverse of the CAF with the form of renunciation (Part 'B' of the CAF) duly filled in shall be conclusive evidence for us of the fact of renouncement to the person(s) applying for Rights Equity Shares in Part 'C' of the CAF for the purposes of Allotment of such Rights Equity Shares. The Renouncees applying for all the Rights Equity Shares renounced in their favour may also apply for additional Rights Equity Shares. Part 'A' of the CAF must not be used by the Renouncee(s) as this will render the application invalid. Renouncee(s) will have no further right to renounce any Rights Equity Shares in favour of any other person. In terms of Regulation 6 of Notification No. FEMA 20 12000-RB dated May 3, 2000, as amended from time to time, only the existing Non-Resident shareholders may subscribe for additional equity shares over and above the equity shares offered on rights basis by our Company.

The right of renunciation is subject to the express condition that our Board shall be entitled in its absolute discretion to reject the application from the Renouncees without assigning any reason thereof.

Procedure for renunciation

To renounce all the Rights Equity Shares offered to an Equity Shareholder in favour of one Renouncee

If you wish to renounce the Rights Entitlement indicated in Part 'A', in whole, please complete Part 'B' of the CAF. In case of joint holding, all joint holders must sign Part 'B' of the CAF. The person in whose favour renunciation has been made should complete and sign Part 'C' of the CAF. In case of joint Renouncees, all joint Renouncees must sign Part 'C' of the CAF.

To renounce in part/ or renounce the whole to more than one person(s)

If you wish to either accept this offer in part and renounce the balance or renounce the entire Rights Entitlement under this Issue in favour of two or more Renouncees, the CAF must be first split into requisite number of SAFs. Please indicate your requirement of SAFs in the space provided for this purpose in Part 'D' of the CAF and return the entire CAF to the Registrar to the Issue so as to reach them latest by the close of business hours on the last date of receiving requests for SAFs as mentioned herein. On receipt of the required number of SAFs from the Registrar, the procedure as mentioned in paragraph above shall have to be followed.

In case the signature of the Eligible Equity Shareholder(s), who has renounced the Rights Equity Shares, does not match with the specimen registered with us/ Depositories, the application is liable to be rejected.

Renouncee(s)

The person(s) in whose favour the Equity Shares are renounced should fill in and sign Part 'C' of the CAF and submit the entire CAF to the Banker to the Issue or to any of the collection branches of the Bankers to the Issue as mentioned in the reverse of the CAF on or before the Issue Closing Date along with the application money in full. The Renouncee cannot further renounce.

Change and/ or introduction of additional holders

If you wish to apply for the Rights Equity Shares jointly with any other person(s), not more than three (including you), who is/ are not already a joint holder with you, it shall amount to renunciation and the procedure as stated above for renunciation shall have to be followed. Even a change in the sequence of the name of joint holders shall amount to renunciation and the procedure, as stated above shall have to be followed.

However, this right of renunciation is subject to the express condition that our Board shall be entitled in its absolute discretion to reject the request for Allotment from the Renouncee(s) without assigning any reason thereof.

Instructions for Options

The summary of options available to the Eligible Equity Shareholder is presented below. You may exercise any of the following options with regard to the Rights Equity Shares offered, using the CAF:

Sr. No.	Option Available	Action Required
1.	Accept whole or part of your Rights Entitlement without renouncing the balance.	Fill in and sign Part A (All joint holders must sign in the same sequence).
2.	Accept your Rights Entitlement in full and apply for additional Rights Equity Shares.	Fill in and sign Part A including Block III relating to the acceptance of Rights Entitlement and Block IV relating to additional Equity Shares (All joint holders must sign in the same sequence).
3.	Accept a part of your Rights Entitlement and renounce the balance to one or more Renouncee(s). OR Renounce your Rights Entitlement of all the Rights Equity Shares offered to you to more than one Renouncee.	Fill in and sign Part D (all joint holders must sign in the same sequence) requesting for SAFs. Send the CAF to the Registrar to the Issue so as to reach them on or before the last date for receiving requests for SAFs. Splitting will be permitted only once. On receipt of the SAF take action as indicated below. 1. For the Equity Shares you wish to accept, if any, fill in and sign Part A. 2. For the Rights Equity Shares you wish to renounce, fill in and sign Part B indicating the number of Equity Shares renounced and hand it over to the Renouncee. Each of the Renouncee should fill in and sign Part C for the Equity Shares accepted by them.
4.	Renounce your Rights Entitlement in full to one person (Joint Renouncees are considered as one).	Fill in and sign Part B (all joint holders must sign in the same sequence) indicating the number of Equity Shares renounced and hand it over to the Renouncee. The Renouncee must fill in and sign Part C (All joint Renouncees must sign).
5.	Introduce a joint holder or change the sequence of joint holders.	This will be treated as a renunciation. Fill in and sign Part B and the Renouncee must fill in and sign Part C.

In case of Rights Equity Shares held in physical form, applicants must provide information in the CAF as to their respective bank account numbers, name of the bank, to enable the Registrar to print the said details on the refund order. Failure to comply with this may lead to rejection of application. In case of Rights Equity Shares held in demat form, bank account details furnished by the Depositories will be printed on the refund order.

Note:

1. Options 3, 4 and 5 of the table above will not be available for Eligible Equity Shareholders applying through ASBA process.
2. Part 'A' of the CAF must not be used by any person(s) other than the Eligible Equity Shareholder to whom the Letter of Offer has been addressed. If used, this will render the application invalid.
3. Request for SAF should be made for a minimum of one Equity Share or, in either case, in multiples thereof, and one SAF for the balance corresponding Rights Equity Shares, if any.
4. Request by the Eligible Equity Shareholder for the SAFs should reach the Registrar on or before [●].
5. Only the Eligible Equity Shareholder to whom this Draft Letter of Offer has been addressed shall be entitled to renounce and to apply for SAFs. Forms once split cannot be split further.
6. SAFs will be sent to the Eligible Equity Shareholder(s) by post at the Applicant's sole risk.
7. Eligible Equity Shareholders may not renounce in favour of persons or entities in the restricted jurisdictions including the U.S. or to or for the account or benefit of a "U.S. Person" (as defined in Regulation S), or who would otherwise be prohibited from being offered or subscribing for Rights Equity Shares or Rights Entitlement under applicable securities laws.
8. Submission of the CAF to the Banker to the Issue at its collecting branches specified on the reverse of the CAF with the form of renunciation (Part 'B' of the CAF) duly filled in shall be conclusive evidence for us of the person(s) applying for Rights Equity Shares in Part 'C' of the CAF to receive Allotment of such Rights Equity Shares.
9. While applying for or renouncing their Rights Entitlement, joint Equity Shareholders must sign the CAF in the same order as per specimen signatures recorded with us or the Depositories.
10. *Non-resident Eligible Equity Shareholders:* Application(s) received from Non-Resident/ NRIs, or persons of Indian origin residing abroad for allotment of Rights Equity Shares allotted as a part of this Issue shall, inter alia, be subject to conditions, as may be imposed from time to time by the RBI under FEMA in the matter of refund of application money, allotment of Rights Equity Shares, subsequent issue and allotment of Rights Equity Shares, interest, export of share certificates, etc. In case a Non-Resident or NRI Eligible Equity Shareholder has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF. Applications not accompanied by the aforesaid approvals are liable to be rejected.
11. Applicants must write their CAF number at the back of the cheque / demand draft.
12. The RBI has mandated that CTS 2010 compliant cheques can only be presented in clearing hence the CAFs accompanied by non-CTS cheques could get rejected.

Availability of duplicate CAF

In case the original CAF is not received, or is misplaced by the Eligible Equity Shareholder, the Registrar to the Issue will issue a duplicate CAF on the request of the Eligible Equity Shareholder who should furnish the registered folio number/ DP and Client ID number and his/ her full name and address to the Registrar to the Issue. Please note that the request for duplicate CAF should reach the Registrar to the Issue at least 7 days prior to the Issue Closing Date. Please note that those who are making the application in the duplicate form should not utilize the original CAF for any purpose including renunciation, even if it is received/ found subsequently. If the Eligible Equity Shareholder violates such requirements, he/ she shall face the risk of rejection of either original CAF or both the applications.

Neither the Registrar nor the Lead Manager or our Company, shall be responsible for postal delays or loss of duplicate CAFs in transit, if any.

Application on Plain Paper (Non - ASBA)

An Eligible Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF may make an application to subscribe to the Issue on plain paper, along with account payee cheque drawn on a bank payable at par, pay order/demand draft (after deducting banking and postal charges) payable at [●] which should be drawn in favour of "[●]" in case of resident shareholders and non-resident shareholders applying on non-repatriable basis and in favour of "[●]" in case of non-resident shareholders applying on repatriable basis and send the same by registered post directly to the Registrar to the Issue so as to reach Registrar to the Issue on or before the Issue Closing Date. The envelope should be super scribed

"[●]" in case of resident shareholders and Non-resident shareholders applying on non-repatriable basis, and "[●]" in case of non-resident shareholders applying on repatriable basis.

The application on plain paper, duly signed by the applicant(s) including joint holders, in the same order as per specimen recorded with us or the Depositories, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

1. Name of the Issuer, being Indiabulls Ventures Limited;
2. Name and address of the Equity Shareholder including joint holders;
3. Registered Folio Number/ DP and Client ID no.;
4. Number of Equity Shares held as on Record Date;
5. Number of Rights Equity Shares entitled to;
6. Number of Rights Equity Shares applied for;
7. Number of additional Rights Equity Shares applied for, if any;
8. Total number of Rights Equity Shares applied for;
9. Total amount paid at the rate of ₹[●] per Rights Equity Share;
10. Particulars of cheque/ demand draft;
11. Savings/ current account number and name and address of the bank where the Eligible Equity Shareholder will be depositing the refund order. In case of Rights Equity Shares allotted in demat form, the bank account details will be obtained from the information available with the Depositories;
12. Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to the Issue; Documentary evidence for exemption to be provided by the applicants;
13. Share certificate numbers and distinctive numbers of Rights Equity Shares, if held in physical form;
14. Allotment option preferred - physical or demat form, if held in physical form;
15. If the payment is made by a draft purchased from NRE/ FCNR/ NRO account, as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/ FCNR/ NRO account;
16. Signature of the Applicant to appear in the same sequence and order as they appear in our records / Depositories; and
17. For ASBA Investors, application on plain paper should have details of their ASBA Account.
18. Additionally, all such applicants are deemed to have accepted the following:

    "I/ We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or any U.S. state securities laws, and may not be offered, sold, resold or otherwise transferred within the U.S. or to the territories or possessions thereof (the "**U.S.**") or to, or for the account or benefit of a "U.S. person" as defined in Regulation S of the Securities Act ("**Regulation S**"). I/ we understand the Rights Equity Shares referred to in this application are being offered in India but not in the U.S. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the U.S., or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlement in the U.S. Accordingly, I/ we understand this application should not be forwarded to or transmitted in or to the U.S. at any time. I/ we understand that neither us, nor the Registrar, the Lead Manager or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Lead Manager or any other person acting on behalf of us have reason to believe is, a resident of the U.S. or a "U.S. person" (as defined in Regulation S) or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

    I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

    I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation

S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

I/ We (i) am/ are, and the person, if any, for whose account I/ we am/ are acquiring such Rights Entitlement and/ or the Rights Equity Shares is/ are, outside the U.S., (ii) am/ are not a "U.S. person" as defined in Regulation S, and (iii) is/ are acquiring the Rights Entitlement and/ or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that we, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

Please note that those who are making the application otherwise than on original CAF shall not be entitled to renounce their Rights Entitlements and should not utilize the original CAF for any purpose including renunciation even if it is received subsequently. If the Eligible Equity Shareholder violates such requirements, he/ she shall face the risk of rejection of both the applications. We shall refund such application amount to the Eligible Equity Shareholder without any interest thereon and no liability shall arise on part of our Company, Lead Manager and our Directors. In cases where multiple CAFs are submitted, including cases where an investor submits CAFs along with a plain paper application, such applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor. The plain paper application format will be available on the website of the Registrar to the Issue at www.karisma.karvy.com.

Last date for application

The last date for submission of the duly filled in CAF is [●]. Our Board may, subject to the provisions of the Aarticles of Association, extend the said date for such period as it may determine from time to time, subject to the Issue period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the CAF together with the amount payable is not received by the Banker to the Issue/ Registrar to the Issue on or before the close of banking hours on the aforesaid last date or such date as may be extended by our Board or any authorised committee thereof, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and our Board or any authorised committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under "—*Basis of Allotment*" on page 424.

Procedure for Application through the Applications Supported by Blocked Amount ("ASBA") Process

This section is for the information of the ASBA Investors proposing to subscribe to the Issue through the ASBA Process. The Lead Manager and we are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors who are eligible to apply under the ASBA Process are advised to make their independent investigations and to ensure that the CAF is correctly filled up.

The Lead Manager, we, our Directors, employees, Affiliates, Associates and their respective directors and officers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to applications accepted by SCSBs, applications uploaded by SCSBs, applications accepted but not uploaded by SCSBs or applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for applications uploaded by SCSBs, the amount payable on application has been blocked in the relevant ASBA Account.

Please note that, in terms of SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, all QIB Applicants, Non-Institutional Investors and other Applicants whose application amount exceeds ₹200,000, complying with the eligibility conditions of SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, can participate in the Issue only through the ASBA process. The Investors who are not (i) QIBs, (ii) Non-Institutional Investors or (iii) Investors whose application amount is more than ₹200,000, can participate in the Issue either through the ASBA process or the non ASBA process. Renouncees are not eligible ASBA investors and must only apply for the Rights Equity Shares through the non ASBA process. ASBA Investors should note

that the ASBA process involves application procedures that may be different from the procedure applicable to non ASBA process. ASBA Investors should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please see "—*Procedure for Application*" on page 408.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in their own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, in accordance with the applicable regulations.

Self-Certified Syndicate Banks

The list of banks which have been notified by SEBI to act as SCSBs for the ASBA Process is provided on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and/or such other website(s) as may be prescribed by the SEBI or Stock Exchange(s) from time to time. For details on Designated Branches of SCSBs collecting the Application, please refer the above mentioned SEBI link.

Eligible Equity Shareholders who are eligible to apply under the ASBA Process

The option of applying for Rights Equity Shares through the ASBA Process is available only to the Eligible Equity Shareholders on the Record Date.

To qualify as ASBA Applicants, Eligible Equity Shareholders:

1. are required to hold Rights Equity Shares in dematerialized form as on the Record Date and apply for: (i) their Rights Entitlement; or (ii) their Rights Entitlement and Rights Equity Shares in addition to their Rights Entitlement in dematerialized form;
2. should not have renounced their Right Entitlement in full or in part;
3. should not have split the CAF and further renounced it;
4. should not be Renouncees;
5. should apply through blocking of funds in bank accounts maintained with SCSBs; and
6. are eligible under applicable securities laws to subscribe for the Rights Entitlement and the Rights Equity Shares in the Issue.

CAF

The Registrar will dispatch the CAF to all Eligible Equity Shareholders as per their Rights Entitlement on the Record Date for the Issue. Those Eligible Equity Shareholders who must apply or who wish to apply through the ASBA will have to select for this ASBA payment mechanism in Part A of the CAF and provide necessary details.

Eligible Equity Shareholders desiring to use the ASBA Process are required to submit their applications by selecting the ASBA option in Part A of the CAF. Application in electronic mode will only be available with such SCSBs who provide such facility. The Eligible Equity Shareholder shall submit the CAF to the Designated Branch of the SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the ASBA Account.

More than one ASBA Investor may apply using the same ASBA Account, provided that SCSBs will not accept a total of more than five CAFs with respect to any single ASBA Account as provided for under the SEBI Circular dated December 30, 2009.

Acceptance of the Issue under the ASBA process

You may accept the Issue and apply for the Rights Equity Shares either in full or in part, by filling Part A of the respective CAFs sent by the Registrar, selecting the ASBA option in Part A of the CAF and submit the same to the Designated Branch of the SCSB before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by our Board or any committee thereof in this regard.

Mode of payment under the ASBA process

The Eligible Equity Shareholder applying under the ASBA Process agrees to block the entire amount payable on application with the submission of the CAF, by authorizing the SCSB to block an amount, equivalent to the amount payable on application, in an ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the CAF, the SCSB shall block an amount equivalent to the amount payable on application mentioned in the CAF until it receives instructions from the Registrar. Upon receipt of instructions from the Registrar, the SCSBs shall transfer amount to the extent of Rights Equity Shares allotted in the Rights Issue as per the Registrar's instruction from the ASBA Account. This amount will be transferred in terms of the SEBI ICDR Regulations, into the separate bank account maintained by our Company for the purpose of the Issue. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar and the Lead Manager to the respective SCSB.

The Eligible Equity Shareholders applying under the ASBA Process would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the CAF.

The SCSB may reject the application at the time of acceptance of CAF if the ASBA Account, details of which have been provided by the Equity Shareholder in the CAF does not have sufficient funds equivalent to the amount payable on application mentioned in the CAF. Subsequent to the acceptance of the application by the SCSB, we would have a right to reject the application only on technical grounds.

Please note that in accordance with the provisions of the SEBI circular number CIR/CFD/DIL/1/2011 dated April 29, 2011 all QIBs and Non-Institutional Investors complying with the eligibility conditions prescribed under the SEBI circular dated December 30, 2009 must mandatorily invest through the ASBA process.

A Retail Individual Investor applying for a value of up to ₹200,000, can participate in the Issue either through the ASBA process or non-ASBA process.

Options available to the Eligible Equity Shareholders applying under the ASBA Process

The summary of options available to the Eligible Equity Shareholders is presented below. You may exercise any of the following options with regard to the Rights Equity Shares, using the respective CAFs received from Registrar:

Sr. No.	Option available	Action required
1.	Accept whole or part of your Rights Entitlement without renouncing the balance.	Fill in and sign Part A of the CAF (All joint holders must sign).
2.	Accept your Rights Entitlement in full and apply for additional Rights Equity Shares.	Fill in and sign Part A of the CAF including Block III relating to the acceptance of entitlement and Block IV relating to additional Rights Equity Shares (All joint holders must sign).

The Investors applying under the ASBA Process will need to select the ASBA option process in the CAF and provide required necessary details. However, in cases where this option is not selected, but the CAF is tendered to the Designated Branch of the SCSBs with the relevant details required under the ASBA process option and the SCSBs block the requisite amount, then that CAFs would be treated as if the Investor has selected to apply through the ASBA process option.

The Eligible Equity Shareholders applying under the ASBA Process will need to select the ASBA process option in the CAF and provide required necessary details. However, in cases where this option is not selected, but the CAF is tendered to the designated branch of the SCSBs with the relevant details required under the ASBA process option and the SCSBs block the requisite amount, then that CAF would be treated as if the Eligible Equity Shareholder has selected to apply through the ASBA process option.

Additional Rights Equity Shares

You are eligible to apply for additional Rights Equity Shares over and above the number of Rights Equity Shares that you are entitled to, provided that you are eligible to apply for the Rights Equity Shares under applicable law and you have applied for all the Rights Equity Shares (as the case may be) offered without renouncing them in whole or in part in favour of any other person(s). Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment in consultation with the Designated Stock Exchange. Applications for additional Rights Equity Shares shall be considered and Allotment shall be made at the sole discretion of our Board, in consultation with the Designated Stock Exchange and in the manner prescribed under "*—Basis of Allotment*" on page 424.

If you desire to apply for additional Rights Equity Shares, please indicate your requirement in the place provided for additional Equity Shares in Part A of the CAF.

Renunciation under the ASBA Process

ASBA Investors can neither be Renouncees, nor can renounce any of their Rights Entitlements.

Application on Plain Paper under the ASBA process

An Eligible Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF and who is applying under the ASBA Process may make an application to subscribe to the Issue on plain paper. The Equity Shareholder shall submit the plain paper application to the Designated Branch of SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB. Applications on plain paper from any address outside India will not be accepted.

The envelope should be super scribed "***Indiabulls Ventures Limited – Rights Issue- R***" or "***Indiabulls Ventures Limited – Rights Issue- NR***", as the case may be. The application on plain paper, duly signed by the Investors including joint holders, in the same order as per the specimen recorded with us or the Depositories, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of Issuer, being Indiabulls Ventures Limited;
2. Name and address of the Equity Shareholder including joint holders;
3. Registered Folio Number/ DP and Client ID no.;
4. Certificate numbers and distinctive numbers of Rights Equity Shares, if held in physical form;
5. Number of Equity Shares held as on Record Date;
6. Number of Rights Equity Shares entitled to;
7. Number of Rights Equity Shares applied for;
8. Number of additional Rights Equity Shares applied for, if any;
9. Total number of Rights Equity Shares applied for;
10. Total amount to be paid at the rate of ₹[●] per Rights Equity Share;
11. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
12. In case of non-resident investors, details of the NRE/ FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
13. Except for applications on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts (subject to submitting sufficient documentary evidence in support of their claim for exemption, provided that such transactions are undertaken on behalf of the Central and State Government and not in their personal capacity), PAN of the Investor and for each Investor in case

of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to the Issue;

14. Signature of the Shareholders to appear in the same sequence and order as they appear in our records or depositories records; and
15. Additionally, all such applicants are deemed to have accepted the following:

"I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or any U.S. state securities laws, and may not be offered, sold, resold or otherwise transferred within the U.S. or to the territories or possessions thereof (the "U.S." or to or for the account or benefit of a "U.S. person" as defined in Regulation S of the Securities Act ("**Regulation S**"). I/ we understand the Equity Shares referred to in this application are being offered in India but not in the U.S. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the U.S., or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the U.S. Accordingly, I/ we understand this application should not be forwarded to or transmitted in or to the U.S. at any time. I/ we understand that none of we, the Registrar, the Lead Manager or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who, we, the Registrar, the Lead Manager or any other person acting on behalf of we have reason to believe is, a resident of the U.S. or a "U.S. person" as defined in Regulation S, or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

I/ We (i) am/ are, and the person, if any, for whose account I/ we am/ are acquiring such Rights Entitlement and/ or the Rights Equity Shares is/ are, outside the U.S., (ii) am/ are not a "U.S. person" as defined in ("**Regulation S**"), and (iii) is/ are acquiring the Rights Entitlement and/ or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that we, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

Please note that those who are making the application otherwise than on original CAF shall not be entitled to renounce their rights and should not utilize the original CAF for any purpose including renunciation even if it is received subsequently. If the Investor violates such requirements, he/she shall face the risk of rejection of both the applications. We shall refund such application amount to the Investor without any interest thereon.

Option to receive Rights Equity Shares in Dematerialized Form

ELIGIBLE EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES UNDER THE ASBA PROCESS CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE RIGHTS EQUITY SHARES ARE HELD BY SUCH ASBA APPLICANT ON THE RECORD DATE.

General instructions for Eligible Equity Shareholders applying under the ASBA Process

1. Please read the instructions printed on the CAF carefully.
2. Application should be made on the printed CAF only and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/ or which are not

completed in conformity with the terms of this Draft Letter of Offer and the Abridged Letter of Offer are liable to be rejected. The CAF must be filled in English. No correction of name, folio/DP client id etc., should be made in the printed CAF sent.

3. ASBA Applicants are required to select this mechanism in Part A of the CAF and provide necessary details, including details of the ASBA Account, authorizing the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the CAF, and including the signature of the ASBA Account holder if the ASBA Account holder is different from the Applicant.
4. The Application in the ASBA Process should be submitted at a Designated Branch of the SCSB and whose ASBA Account/ bank account details are provided in the CAF and not to the Banker to the Issue/ Collecting Banks (assuming that such Collecting Bank is not a SCSB), to us or Registrar or Lead Manager to the Issue.
5. All applicants, and in the case of application in joint names, each of the joint applicants, should mention his/ her PAN allotted under the IT Act, irrespective of the amount of the application. Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, **CAFs without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no allotment and credit of Rights Equity Shares shall be made into the accounts of such Investors.**
6. All payments will be made by blocking the amount in the ASBA Account. Cash payment or payment by cheque/ demand draft/ pay order is not acceptable. In case payment is effected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.
7. Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/ her official seal. The Eligible Equity Shareholders must sign the CAF as per the specimen signature recorded with us and/ or Depositories.
8. In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with the depository/ us. In case of joint applicants, reference, if any, will be made in the first applicant's name and all communication will be addressed to the first applicant.
9. All communication in connection with application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar to the Issue prior to the date of Allotment in this Issue quoting the name of the first/ sole applicant Equity Shareholder, folio numbers and CAF number.
10. Only the person or persons to whom the Rights Equity Shares have been offered and not renouncee(s) shall be eligible to participate under the ASBA process.
11. Only persons outside restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Rights Equity Shares under applicable securities laws are eligible to participate.
12. Only the Eligible Equity Shareholders holding shares in demat are eligible to participate through ASBA process.
13. Eligible Equity Shareholders who have renounced their entitlement in part/ full are not entitled to apply using ASBA process.
14. Please note that, in terms of SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, all QIBs, Non-Institutional Investors and other Applicants whose application amount exceeds ₹200,000, complying with the eligibility conditions of SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, can participate in the Issue only through the ASBA process. The Investors who are not (i) QIBs, (ii) Non-Institutional Investors or (iii) Investors whose application amount is more than ₹200,000, can participate in the Issue either through the ASBA process or the non ASBA process. Renouncees are not eligible ASBA investors and must only apply for the Rights Equity Shares through the non ASBA process. ASBA Investors should note that the ASBA process involves application procedures that may be different from the procedure applicable to non ASBA process. ASBA Investors should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please see "—*Procedure for Application*" on page 408.
15. Please note that subject to SCSBs complying with the requirements of SEBI circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.

16. Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in their own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in their own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, in accordance with the applicable regulations.
17. In case of non - receipt of CAF, application can be made on plain paper mentioning all necessary details as mentioned under the heading "—*Application on Plain Paper*" on page 414.

Do's:

1. Ensure compliance with eligibility conditions prescribed under the SEBI circular no. SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009.
2. Ensure that the ASBA Process option is selected in Part A of the CAF and necessary details are filled in.
3. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as Rights Equity Shares will be allotted in the dematerialized form only.
4. Ensure that the CAFs are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the CAF.
5. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares as the case may be applied for} X {Issue Price of Rights Equity Shares, as the case may be}) available in the ASBA Account mentioned in the CAF before submitting the CAF to the respective Designated Branch of the SCSB.
6. Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the CAF, in the ASBA Account, of which details are provided in the CAF and have signed the same.
7. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the CAF in physical form.
8. Except for CAFs submitted on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, each applicant should mention their PAN allotted under the Income Tax Act.
9. Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF.
10. Ensure that the Demographic Details are updated, true and correct, in all respects.
11. Ensure that the account holder in whose bank account the funds are to be blocked has signed authorising such funds to be blocked.
12. Apply under ASBA process only if you comply with the definition of an ASBA Investor.

Don'ts

1. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
2. Do not apply on duplicate CAF after you have submitted a CAF to a Designated Branch of the SCSB.
3. Do not pay the amount payable on application in cash, by money order, by pay order or by postal order.
4. Do not send your physical CAFs to the Lead Manager/ Registrar/ Collecting Banks (assuming that such Collecting Bank is not a SCSB)/ to a branch of the SCSB which is not a Designated Branch of the SCSB/ Company; instead submit the same to a Designated Branch of the SCSB only.
5. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
6. Do not apply if the ASBA account has already been used for five Eligible Equity Shareholders.
7. Do not apply through the ASBA Process if you are not an ASBA Investor.
8. Do not instruct the SCSBs to release the funds blocked under the ASBA Process.

Grounds for Technical Rejections under the ASBA Process

In addition to the grounds listed under "—*Grounds for Technical Rejections for non-ASBA Investors*" on page 422, applications under the ASBA Process are liable to be rejected on the following grounds:

1. Application on a SAF.
2. Application for allotment of Rights Entitlements or additional Rights Equity Shares which are in physical form.
3. DP ID and Client ID mentioned in CAF not matching with the DP ID and Client ID records available with the Registrar.
4. Submission of an ASBA application on plain paper to a person other than a SCSB.
5. Sending CAF to a Lead Manager/ Registrar/ Collecting Bank (assuming that such Collecting Bank is not a SCSB)/ to a branch of a SCSB which is not a Designated Branch of the SCSB/ Company.
6. Insufficient funds being available with the SCSB for blocking the amount.
7. Funds in the bank account with the SCSB whose details have been mentioned in the CAF / Plain Paper Application having been frozen pursuant to regulatory order.
8. ASBA Account holder not signing the CAF or declaration mentioned therein.
9. CAFs that do not include the certification set out in the CAF to the effect that the subscriber is not a "U.S. person" (as defined under Regulation S) and does not have a registered address (and is not otherwise located) in the U.S. or restricted jurisdictions and is authorized to acquire the rights and the securities in compliance with all applicable laws and regulations.
10. CAFs which have evidence of being executed in/ dispatched from a restricted jurisdiction or executed by or for the account or benefit of a U.S. person (as defined in Regulation S).
11. Renouncees applying under the ASBA Process.
12. Submission of more than five CAFs per ASBA Account.
13. QIBs, Non-Institutional Investors and other Eligible Shareholders applying for Rights Equity Shares in the Issue for value of more than ₹200,000 who hold Equity Shares in dematerialised form and is not a renouncer or a Renouncee not applying through the ASBA process.
14. The application by an Eligible Shareholder whose cumulative value of Rights Equity Shares applied for is more than ₹200,000 but has applied separately through split CAFs of less than ₹200,000 and has not done so through the ASBA process.
15. Multiple CAFs, including cases where an Investor submits CAFs along with a plain paper application.
16. Submitting the GIR number instead of the PAN.
17. An investor, who is not complying with any or all of the conditions for being an ASBA Investor, applies under the ASBA process.
18. An investor, who is not complying with any or all of the conditions for being an ASBA Investor, applies under the ASBA process.
19. Failure to mention an Indian address in the Application. Application with foreign address shall be liable to be rejected.
20. If an Investor is (a) debarred by SEBI and/or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlement.
21. ASBA Bids by SCSBs applying through the ASBA process on own account, other than through an ASBA Account in its own name with any other SCSB.

Depository account and bank details for Eligible Equity Shareholders applying under the ASBA Process

IT IS MANDATORY FOR ALL THE ELIGIBLE EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE RIGHTS EQUITY SHARES ARE HELD BY THE EQUITY SHAREHOLDER ON THE RECORD DATE. ALL ELIGIBLE EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE CAF. ELIGIBLE EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS MUST ENSURE THAT THE NAME GIVEN IN THE CAF IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE CAF IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN

THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE CAF / PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Eligible Equity Shareholders applying under the ASBA Process should note that on the basis of name of these Eligible Equity Shareholders, Depository Participant's name and identification number and beneficiary account number provided by them in the CAF / plain paper applications, as the case may be, the Registrar to the Issue will obtain from the Depository demographic details of these Eligible Equity Shareholders such as address, bank account details for printing on refund orders and occupation ("Demographic Details"). Hence, Eligible Equity Shareholders applying under the ASBA Process should carefully fill in their Depository Account details in the CAF.

These Demographic Details would be used for all correspondence with such Eligible Equity Shareholders including mailing of the letters intimating unblocking of their respective ASBA Accounts. The Demographic Details given by the Eligible Equity Shareholders in the CAF would not be used for any other purposes by the Registrar. Hence, Eligible Equity Shareholders are advised to update their Demographic Details as provided to their Depository Participants.

By signing the CAFs, the Eligible Equity Shareholders applying under the ASBA Process would be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Letters intimating Allotment and unblocking the funds would be mailed at the address of the Eligible Equity Shareholder applying under the ASBA Process as per the Demographic Details received from the Depositories. The Registrar to the Issue will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not allotted to such Eligible Equity Shareholders. Eligible Equity Shareholders applying under the ASBA Process may note that delivery of letters intimating unblocking of the funds may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Eligible Equity Shareholder in the CAF would be used only to ensure dispatch of letters intimating unblocking of the ASBA Accounts.

Note that any such delay shall be at the sole risk of the Eligible Equity Shareholders applying under the ASBA Process and none of us, the SCSBs or the Lead Manager shall be liable to compensate the Eligible Equity Shareholder applying under the ASBA Process for any losses caused due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, (a) names of the Eligible Equity Shareholders (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such applications are liable to be rejected.

Underwriting

The Issue is not underwritten.

Issue Schedule

Issue Opening Date:	[●]
Last date for receiving requests for SAFs:	[●]
Issue Closing Date:	[●]

The Board may however decide to extend the Issue period, as it may determine from time to time, but not exceeding 30 days from the Issue Opening Date. However, please note that the Board of Directors pursuant to their meeting held on September 21, 2017 proposed amendement to Article 18(b) of the Articles of Association, in relation to notice for any further offering of shares to be in accordance with the time prescribed under the applicable laws, subject to the approval of the Shareholders at the EGM proposed to be held on October 23, 2017.

Basis of Allotment

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, CAF, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

1. Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlement either in full or in part and also to the Renouncee(s) who has/ have applied for Equity Shares renounced in their favour, in full or in part.
2. Investors whose fractional entitlements are being ignored and Eligible Equity Shareholders with Zero entitlement would be given preference in allotment of one additional Equity Share each if they apply for additional Equity Share. Allotment under this head shall be considered if there are any unsubscribed Equity Shares after allotment under (1.) above. If number of Equity Shares required for Allotment under this head are more than number of Equity Shares available after Allotment under (1.) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange, as a part of Issue and will not be a preferential allotment.
3. Allotment to the Eligible Equity Shareholders who having applied for all the Equity Shares offered to them as part of the Issue and have also applied for additional Equity Shares. The Allotment of such additional Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there is an unsubscribed portion after making full Allotment in (1.) and (2.) above. The Allotment of such Equity Shares will be at the sole discretion of our Board/Committee in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
4. Allotment to Renouncees who having applied for all the Equity Shares renounced in their favour, have applied for additional Equity Shares provided there is surplus available after making full Allotment under (1.), (2.) and (3.) above. The Allotment of such Equity Shares will be at the sole discretion of our Board/ Committee of Directors in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
5. Allotment to any other person that the Board as it may deem fit provided there is surplus available after making Allotment under (1.), (2.), (3.) and (4.) above, and the decision of the Board in this regard shall be final and binding.

   Our Promoters and Promoter Group, by letters dated September 28, 2017, have confirmed that they intend to subscribe to their respective Rights Entitlement in full in the Issue, in compliance with regulation 10(4) of the SEBI Takeover Regulations and may subscribe to additional Rights Equity Shares (including any unsubscribed portion of the Issue).

   Such subscription for Rights Equity Shares over and above their Rights Entitlement, if Allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) shall be exempt in terms of Regulation 10 (4) (a) and (b) of the SEBI Takeover Regulations subject to fulfilment of conditions mentioned therein and shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations.

After taking into account Allotment to be made under (1.) to (4.) above, if there is any unsubscribed portion, the same shall be deemed to be ‘unsubscribed’.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches, a list of the ASBA Investors who have been allocated Equity Shares in the Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA Investors;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Allotment Advices/ Refund Orders

Our Company will issue and dispatch allotment advice/ share certificates/ demat credit and/ or letters of regret along with refund order or credit the allotted Equity Shares to the respective beneficiary accounts, if any, within 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

Investors residing at centres where clearing houses are managed by the Reserve Bank of India ("**RBI**"), payment of refund would be done through NACH except where Investors have not provided the details required to send electronic refunds.

In case of those Investors who have opted to receive their Rights Entitlement in dematerialized form using electronic credit under the depository system, advice regarding their credit of the Rights Equity Shares shall be given separately. Investors to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within 15 days of the Issue Closing Date.

In case of those Investors who have opted to receive their Rights Entitlement in physical form and our Company issues letter of allotment, the corresponding Rights Equity Share certificates will be kept ready within two months from the date of Allotment thereof under section 56 of the Companies Act or other applicable provisions, if any. Investors are requested to preserve such letters of allotment, which would be exchanged later for the Rights Equity Share certificates.

The letter of allotment/ refund order would be sent by registered post/ speed post to the sole/ first Investor's registered address in India or the Indian address provided by the Eligible Equity Shareholders from time to time. Such refund orders would be payable at par at all places where the applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favour of the sole/ first Investor. Adequate funds would be made available to the Registrar to the Issue for this purpose.

Our Company shall ensure at par facility is provided for encashment of refund orders or pay orders at the places where applications are accepted.

As regards allotment/refund to Non-residents, the following further conditions shall apply:

In the case of Non-resident Shareholders or Investors who remit their Application Money from funds held in NRE/FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts, the details of which should be furnished in the CAF. Subject to the applicable laws and other approvals, in case of Non-resident Shareholders or Investors who remit their application money through Indian Rupee demand drafts purchased from abroad, refund and/or payment of dividend or interest and any other disbursement, shall be credited to such accounts and will be made after deducting bank charges or commission in US Dollars, at the rate of exchange prevailing at such time. Our Company will not be responsible for any loss on account of exchange rate fluctuations for conversion of the Indian Rupee amount into US Dollars. The Share Certificate(s) will be sent by registered post / speed post to the address in India of the Non-Resident Shareholders or Investors.

The Letter of Offer/ Abridged Letter of Offer and the CAF shall be dispatched to only such Non-resident Shareholders who have a registered address in India or have provided an Indian address.

Payment of Refund

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription, would be done through any of the following modes:

1. NACH – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque

leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

2. National Electronic Fund Transfer ("NEFT") - Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
3. Direct Credit - Investors having bank accounts with the Banker to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
4. RTGS - If the refund amount exceeds ₹200,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the CAF. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.
5. For all other Investors the refund orders will be dispatched through Speed Post/ Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
6. Credit of refunds to Investors in any other electronic manner, permissible under the banking laws, which are in force, and is permitted by SEBI from time to time.

Refund payment to Non- resident

Where applications are accompanied by Indian rupee drafts purchased abroad and payable at Mumbai, refunds will be made in the Indian rupees based on the U.S. dollars equivalent which ought to be refunded. Indian rupees will be converted into U.S. dollars at the rate of exchange, which is prevailing on the date of refund. The exchange rate risk on such refunds shall be borne by the concerned applicant and our Company shall not bear any part of the risk.

Where the applications made are accompanied by NRE/FCNR/NRO cheques, refunds will be credited to NRE/FCNR/NRO accounts respectively, on which such cheques were drawn and details of which were provided in the CAF.

Printing of Bank Particulars on Refund Orders

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the Investor's bank account are mandatorily required to be given for printing on the refund orders. Bank account particulars, where available, will be printed on the refund orders/ refund warrants which can then be deposited only in the account specified. We will in no way be responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

Allotment advice/ Share Certificates/ Demat Credit

Allotment advice/ Share Certificates/ demat credit or letters of regret will be dispatched to the registered address of the first named Investor or respective beneficiary accounts will be credited within the timeline prescribed under applicable law. In case our Company issues Allotment advice, the respective Share Certificates will be dispatched within one month from the date of the Allotment. Allottees are requested to preserve such allotment advice (if any) to be exchanged later for Share Certificates.

Option to receive Equity Shares in Dematerialized Form

Investors shall be allotted the Equity Shares in dematerialized (electronic) form at the option of the Investor. We have signed a tripartite agreement with NSDL and the Registrar to the Issue on January 8, 2008, which enables the Investors to hold and trade in Equity Shares in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates. We have also signed a tripartite agreement with CDSL and the Registrar to the Issue on January 11, 2008, which enables the Investors to hold and trade in Equity Shares in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

In this Issue, the Allottees who have opted for Rights Equity Shares in dematerialized form will receive their Rights Equity Shares in the form of an electronic credit to their beneficiary account as given in the CAF, after verification with a depository participant. Investor will have to give the relevant particulars for this purpose in the appropriate place in the CAF. Allotment advice, refund order (if any) would be sent directly to the Investor by the Registrar to the Issue but the Investor's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Investor's depository account. CAFs, which do not accurately contain this information, will be given the Equity Shares in physical form. No separate CAFs for Equity Shares in physical and/ or dematerialized form should be made. If such CAFs are made, the CAFs for physical Rights Equity Shares will be treated as multiple CAFs and is liable to be rejected. In case of partial Allotment, Allotment will be done in demat option for the Rights Equity Shares sought in demat and balance, if any, will be allotted in physical Rights Equity Shares. Eligible Shareholders of our Company holding Equity Shares in physical form may opt to receive Rights Equity Shares in the Issue in dematerialized form.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Equity Shares in this Issue in the electronic form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in our records. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in our records). In case of Investors having various folios with different joint holders, the Investors will have to open separate accounts for such holdings. Those Eligible Equity Shareholders who have already opened such beneficiary account(s) need not adhere to this step.
2. For Eligible Equity Shareholders already holding Equity Shares in dematerialized form as on the Record Date, the beneficiary account number shall be printed on the CAF. For those who open accounts later or those who change their accounts and wish to receive their Equity Shares by way of credit to such account, the necessary details of their beneficiary account should be filled in the space provided in the CAF. It may be noted that the Allotment of Equity Shares arising out of this Issue may be made in dematerialized form even if the original Equity Shares are not dematerialized. Nonetheless, it should be ensured that the depository account is in the name(s) of the Eligible Equity Shareholders and the names are in the same order as in our records.
3. The responsibility for correctness of information (including Investor's age and other details) filled in the CAF vis-à-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in CAF should be the same as registered with the Investor's depository participant.
4. If incomplete / incorrect beneficiary account details are given in the CAF, the Investor will get Rights Equity Shares in physical form.
5. The Rights Equity Shares allotted to applicants opting for issue in dematerialized form, would be directly credited to the beneficiary account as given in the CAF after verification. Allotment advice, refund order (if any) would be sent directly to the applicant by the Registrar to the Issue but the applicant's depository participant will provide to the applicant the confirmation of the credit of such Equity Shares to the applicant's depository account. It may be noted that Equity Shares in electronic form can be traded only on the Stock Exchanges having electronic connectivity with NSDL and CDSL.
6. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Equity Shares in this Issue. In case these details are incomplete or incorrect, the application is liable to be rejected.
7. Non-transferable allotment advice/refund orders will be directly sent to the Investors by the Registrar.
8. Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Eligible Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

General instructions for non-ASBA Investors

1. Please read the instructions printed on the CAF carefully.
2. Applicants that are not QIBs or are not Non – Institutional Investor or those who's Application Money does not exceed ₹200,000 may participate in the Issue either through ASBA or the non-ASBA process. Eligible Equity Shareholders who have renounced their entitlement (in full or in part), Renouncees and Applicants holding Equity Shares in physical form and/or subscribing in the Issue for Allotment in physical form may participate in the Issue only through the non ASBA process.
3. Application should be made on the printed CAF, provided by us except as mentioned under the head "—*Application on Plain Paper*" on page 414 and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/ or which are not completed in conformity with the terms of this Draft Letter of Offer or Abridged Letter of Offer are liable to be rejected and the money paid, if any, in respect thereof will be refunded without interest and after deduction of bank commission and other charges, if any. The CAF must be filled in English and the names of all the Investors, details of occupation, address, father's/ husband's name must be filled in block letters.
4. Eligible Equity Shareholders participating in the Issue other than through ASBA are required to fill Part A of the CAF and submit the CAF along with Application Money before close of banking hours on or before the Issue Closing Date or such extended time as may be specified by our Board in this regard. The CAF together with the cheque/ demand draft should be sent to the Banker to the Issue/ Collecting Bank or to the Registrar to the Issue and not to us or Lead Manager to the Issue. Investors residing at places other than cities where the branches of the Banker to the Issue have been authorised by us for collecting applications, will have to make payment by demand draft payable at Mumbai of an amount net of bank and postal charges and send their CAFs to the Registrar to the Issue by registered post/speed post. If any portion of the CAF is/ are detached or separated, such application is liable to be rejected. CAF's received after banking hours on closure day will be liable for rejection.

   Applications where separate cheques/demand drafts are not attached for amounts to be paid for Equity Shares are liable to be rejected. Applications accompanied by cash, postal order or stockinvest are liable to be rejected.
5. Except for applications on behalf of the Central and State Government, the residents of Sikkim and the officials appointed by the courts, all Investors, and in the case of application in joint names, each of the joint Investors, should mention his/ her PAN allotted under the Income Tax Act, irrespective of the amount of the application. CAFs without PAN will be considered incomplete and are liable to be rejected.
6. Investors, holding Equity Shares in physical form, are advised that it is mandatory to provide information as to their savings/current account number, the nine digit MICR number and the name of the bank with whom such account is held in the CAF to enable the Registrar to the Issue to print the said details in the refund orders, if any, after the names of the payees. Application not containing such details is liable to be rejected.
7. All payment should be made by cheque/ demand draft only. Application through the ASBA process as mentioned above is acceptable. Cash payment is not acceptable. In case payment is effected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.
8. Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/ her official seal. The Eligible Equity Shareholders must sign the CAF as per the specimen signature recorded with us/ Depositories.
9. In case of an application under power of attorney or by a body corporate or by a society, a certified true copy of the relevant power of attorney or relevant resolution or authority to the signatory to make the relevant investment under this Issue and to sign the application and certified true a copy of the Memorandum and Articles of Association and/ or bye laws of such body corporate or society must be lodged with the Registrar to the Issue giving reference of the serial number of the CAF. In case the above referred documents are already registered with us, the same need not be a furnished again. In case these papers are sent to any other entity besides the Registrar to the Issue or are sent after the Issue Closing Date, then the application is liable to be rejected. In no case should these papers be attached to the application submitted to the Banker to the Issue.
10. In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with us or the Depositories. Further, in case of joint Investors who are Renouncees, the number of Investors should not exceed three. In case of joint Investors,

reference, if any, will be made in the first Investor's name and all communication will be addressed to the first Investor.

11. Application(s) received from NRs/ NRIs, or persons of Indian origin residing abroad for Allotment of Equity Shares shall, inter alia, be subject to conditions, as may be imposed from time to time by the RBI under FEMA, including regulations relating to QFI's, in the matter of refund of application money, Allotment of Equity Shares, subsequent issue and Allotment of Equity Shares, interest, export of share certificates, etc. In case a NR or NRI Eligible Equity Shareholder has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF. Additionally, applications will not be accepted from NRs/ NRIs in the U.S. or its territories and possessions, or any other jurisdiction where the offer or sale of the Rights Entitlements and Equity Shares may be restricted by applicable securities laws.
12. All communication in connection with application for the Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar to the Issue prior to the date of Allotment in this Issue quoting the name of the first/ sole Investor, folio numbers and CAF number. Please note that any intimation for change of address of Eligible Equity Shareholders, after the date of Allotment, should be sent to our Registrar and Transfer Agent, in the case of Equity Shares held in physical form and to the respective depository participant, in case of Equity Shares held in dematerialized form.
13. SAFs cannot be re-split.
14. Only the Equity Shareholder(s) and not Renouncee(s) shall be entitled to obtain SAFs.
15. Investors must write their CAF number at the back of the cheque/ demand draft.
16. Only one mode of payment per application should be used. The payment must be by cheque/ demand draft drawn on any of the banks, including a co-operative bank, which is situated at and is a member or a sub member of the Bankers Clearing House located at the centre indicated on the reverse of the CAF where the application is to be submitted.
17. A separate cheque/ draft must accompany each CAF. Outstation cheques/ demand drafts or post-dated cheques and postal/ money orders will not be accepted and applications accompanied by such outstation cheques/ outstation demand drafts/ money orders or postal orders will be rejected.
18. No receipt will be issued for application money received. The Banker to the Issue/ Collecting Bank/ Registrar will acknowledge receipt of the same by stamping and returning the acknowledgment slip at the bottom of the CAF.
19. The distribution of this Draft Letter of Offer and issue of Equity Shares and Rights Entitlements to persons in certain jurisdictions outside India may be restricted by legal requirements in those jurisdictions. Persons in such jurisdictions are instructed to disregard this Draft Letter of Offer and not to attempt to subscribe for Equity Shares.
20. Investors are requested to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.

Do's for non-ASBA Investors:

1. Check if you are eligible to apply i.e. you are an Equity Shareholder on the Record Date;
2. Read all the instructions carefully and ensure that the cheque/ draft option is selected in Part A of the CAF and necessary details are filled in;
3. In the event you hold Equity Shares in dematerialised form, ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be allotted in the dematerialized form only;
4. Ensure that your Indian address is available with our Company and the Registrar, in case you hold Equity Shares in physical form or the depository participant, in case you hold Equity Shares in dematerialised form;
5. Ensure that the value of the cheque/ draft submitted by you is equal to the {(number of Equity Shares applied for) X (Issue Price of Equity Shares, as the case may be)} before submission of the CAF. Investors residing at places other than cities where the branches of the Banker to the Issue have been authorised by us for collecting applications, will have to make payment by demand draft payable at Mumbai of an amount net of bank and postal charges;
6. Ensure that you receive an acknowledgement from the collection branch of the Banker to the Issue for your submission of the CAF in physical form;

7. Ensure that you mention your PAN allotted under the Income Tax Act with the CAF, except for Applications on behalf of the Central and State Governments, residents of the state of Sikkim and officials appointed by the courts;
8. Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF;
9. Ensure that the demographic details are updated, true and correct, in all respects.

Don'ts for non-ASBA Investors:

1. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction;
2. Do not apply on duplicate CAF after you have submitted a CAF to a collection branch of the Banker to the Issue;
3. Do not pay the amount payable on application in cash, by money order or by postal order;
4. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground; and
5. Do not submit Application accompanied with Stock invest;

Grounds for Technical Rejections for non-ASBA Investors

Investors are advised to note that applications are liable to be rejected on technical grounds, including the following:

1. Amount paid does not tally with the amount payable;
2. Bank account details (for refund) are not given and the same are not available with the DP (in the case of dematerialized holdings) or the Registrar (in the case of physical holdings);
3. Submission of CAFs to the SCSBs; Submission of plain paper Applications to any person other than the Registrar to the Issue;
4. Age of Investor(s) not given (in case of Renouncees);
5. Except for CAFs on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN not given for application of any value;
6. If the signature of the Equity Shareholder does not match with the one given on the CAF and for Renouncee(s) if the signature does not match with the records available with their Depositories;
7. CAFs are not submitted by the Investors within the time prescribed as per the CAF and this Draft Letter of Offer;
8. CAFs not duly signed by the sole/ joint Investors;
9. CAFs/ SAFs by OCBs not accompanied by a copy of an RBI approval to apply in this Issue;
10. CAFs accompanied by stockinvest/ outstation cheques/ post-dated cheques/ money order/ postal order/ outstation demand draft;
11. In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the Investors (including the order of names of joint holders), the Depositary Participant's identity (DP ID) and the beneficiary's identity;
12. CAFs that do not include the certifications set out in the CAF to the effect that the subscriber is not a "U.S. person" (as defined in Regulation S) and does not have a registered address (and is not otherwise located) in the U.S. or other restricted jurisdictions and is authorized to acquire the Rights Entitlements and Equity Shares in compliance with all applicable laws and regulations;
13. CAFs which have evidence of being executed in/ dispatched from restricted jurisdictions;
14. CAFs by ineligible non-residents (including on account of restriction or prohibition under applicable local laws) and where the registered addressed in India has not been provided;
15. CAFs where we believe that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements;
16. In case the GIR number is submitted instead of the PAN;
17. CAFs submitted by Renouncees where Part B of the CAF is incomplete or is unsigned. In case of joint holding, all joint holders must sign Part 'B' of the CAF;

18. Applications by persons not competent to contract under the Contract Act, 1872, as amended, except bids by minors having valid demat accounts as per the demographic details provided by the Depositories;
19. Applications by Renouncees who are persons not competent to contract under the Indian Contract Act, 1872, including minors;
20. Multiple CAFs, including cases where an Investor submits CAFs along with a plain paper application;
21. Applications from QIBs, Non-Institutional Investors or Investors applying in this Issue for Equity Shares for an amount exceeding ₹200,000, not through ASBA process;
22. Failure to mention an Indian address in the Application. Application with foreign address shall be liable to be rejected;
23. If an Investor is debarred by SEBI and if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlement; and
24. Non – ASBA applications made by QIBs and Non – Institutional Investors.

Please read this Draft Letter of Offer or Abridged Letter of Offer and the instructions contained therein and in the CAF carefully, before filling the CAF. The instructions contained in the CAF are an integral part of this Draft Letter of Offer and must be carefully followed. The CAF is liable to be rejected for any non-compliance of the provisions contained in this Draft Letter of Offer or the CAF.

Investment by FPIs, FIIs and QFIs

SEBI, on January 7, 2014, notified the SEBI FPI Regulations pursuant to which FIIs, its sub-accounts and QFIs were merged to form a new category of investors called 'Foreign Portfolio Investors'. Prior to the notification of the SEBI FPI Regulations, portfolio investments by FIIs and sub-accounts were governed by SEBI under the FII Regulations and portfolio investments by QFIs were governed by various circulars issued by SEBI from time to time (QFI Circulars). Pursuant to the notification of the SEBI FPI Regulations, the FII Regulations were repealed and the QFI Circulars were rescinded.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an 'investor group' (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our Company's post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share Capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid up Equity Share capital of our Company. However, pursuant to the approval of the Shareholders at the EGM dated December 22, 2007, the limit of total holdings all FPIs has been increased to 100% of the paid up Equity Share capital of our Company.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

An FII who held a valid certificate of registration from SEBI, at the time of promulgation of the FPI Regulations, was deemed to be an FPI until the expiry of a block of three years for which fees had been paid as per the SEBI FII Regulations. An FII or a sub-account (other than a sub-account which is a foreign corporate or a foreign individual) may participate in the Issue only if it has obtained a certificate of registration as an FPI. If the registration of an FII or sub-account has expired, such FII or sub-account may, subject to payment of conversion fees as applicable under the SEBI FPI Regulations, participate in the Issue. An FII or sub-account shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

Further, in terms of the SEBI FPI Regulations, a QFI may continue to buy, sell or otherwise deal in securities, subject to the provisions of the SEBI FPI Regulations, until January 6, 2015 (or such other date as may be specified by SEBI) or until the QFI obtains a certificate of registration as FPI, whichever is earlier.

The existing individual and aggregate investment limits for Eligible QFIs in an Indian company are 5% and 10% of the paid-up capital of an Indian company, respectively. In terms of the FEMA Regulations, a QFI shall not be eligible to invest as a QFI upon obtaining registration as an FPI. However, all investments made by a QFI in accordance with the regulations, prior to registration as an FPI shall continue to be valid and taken into account for computation of the aggregate limit.

Investment by NRIs

Investments by NRIs are governed by the Portfolio Investment Scheme under Regulation 5(3)(i) of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended. Applications will not be accepted from NRIs in restricted jurisdictions.

NRI Applicants may please note that only such Applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The NRI Applicants who intend to make payment through NRO accounts shall use the Application Form meant for resident Indians and shall not use the Application Forms meant for reserved category.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/ CFD/ DIL/1/2011 dated April 29, 2011, all Applicants who are QIBs, Non- Institutional Investors or are applying in this Issue for Equity Shares for an amount exceeding ₹200,000 shall mandatorily make use of ASBA facility.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011, all applicants who are QIBs, Non-Institutional Investors or are applying in this Issue for Equity Shares for an amount exceeding ₹200,000 shall mandatorily make use of ASBA facility, subject to their fulfilling the eligibility conditions to be an ASBA Investor. Further, all QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹200,000, subject to their fulfilling the eligibility conditions to be an ASBA Investor.

Procedure for Applications by AIFs, FVCIs and VCFs

The SEBI (Venture Capital Funds) Regulations, 1996, as amended ("SEBI VCF Regulations") and the SEBI (Foreign Venture Capital Investor) Regulations, 2000, as amended ("SEBI FVCI Regulations") prescribe, amongst other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI (Alternative Investments Funds) Regulations, 2012 ("SEBI AIF Regulations") prescribe, amongst other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue.

Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations.

Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Mode of payment for Resident Eligible Equity Shareholders/ Investors

1. All cheques/ drafts accompanying the CAF should be drawn in favour of "*Indiabulls Ventures Limited – Rights Issue - R*" crossed 'A/c Payee only' and should be submitted along with the CAF to the Banker to the Issue or to the Registrar to the Issue;
2. Investors residing at places other than places where the bank collection centres have been opened by us for collecting applications, are requested to send their CAFs together with a Demand Draft for the full application amount, net of bank and postal charges favouring the Banker to the Issue, crossed 'A/c Payee

only' and marked "*Indiabulls Ventures Limited – Rights Issue - R*" payable at Mumbai directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. The envelope should be superscribed "*Indiabulls Ventures Limited – Rights Issue"*. We, the Lead Manager or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.

Applications through mails should not be sent in any other manner except as mentioned above. The CAF along with the application money must not be sent to our Company or the Lead Manager. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Eligible Equity Shareholders/ Investors

As regards the application by non-resident Eligible Equity Shareholders/ Investors, the following conditions shall apply:

1. Individual non-resident Indian applicants who are permitted to subscribe for Equity Shares by applicable local securities laws can also obtain application forms from the following address:

   Karvy Computershare Private Limited
   Karvy Selenium Tower B, Plot 31-32, Gachibowli
   Financial District, Nanakramguda
   Hyderabad – 500 032, India
   Telephone: +91 40 6716 2222
   Facsimile: +91 40 2343 1551
   Email: einward.ris@karvy.com
   Investor grievance email: indiabullsventures.rights@karvy.com
   Website: www.karisma.karvy.com
   Contact Person: M Murali Krishna
   SEBI Registration No.: INR000000221

Note: The Letter of Offer/ Abridged Letter of Offer and CAFs to NRIs shall be sent only to their Indian address, if provided.

2. Applications will not be accepted from non-resident from any jurisdiction where the offer or sale of the Rights Entitlements and Equity Shares may be restricted by applicable securities laws.
3. All non-resident investors should draw the cheques/ demand drafts for the full application amount, net of bank and postal charges and which should be submitted along with the CAF to the Banker to the Issue/ collection centres or to the Registrar to the Issue.
4. Non-resident investors applying from places other than places where the bank collection centres have been opened by our Company for collecting applications, are requested to send their CAFs together with Demand Draft for the full application amount, net of bank and postal charges, and marked "*Indiabulls Ventures Limited – Rights Issue - R*" payable at Mumbai directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.
5. Payment by non-residents must be made by demand draft payable at Mumbai cheque payable drawn on a bank account maintained at Mumbai or funds remitted from abroad in any of the following ways:

   Application with repatriation benefits

   a. By Indian Rupee drafts purchased from abroad and payable at Mumbai or funds remitted from abroad (submitted along with Foreign Inward Remittance Certificate);
   b. By local cheque / bank drafts remitted through normal banking channels or out of funds held in Non-Resident External Account (NRE) or FCNR Account maintained with banks authorized to deal in foreign currency in India, along with documentary evidence in support of remittance;
   c. By Rupee draft purchased by debit to NRE/ FCNR Account maintained elsewhere in India and payable in Mumbai;
   d. FPIs registered with SEBI must remit funds from special non-resident rupee deposit account;

e. Non-resident investors applying with repatriation benefits should draw cheques/ drafts in favour of "*Indiabulls Ventures Limited – Rights Issue – NR*" and must be crossed 'account payee only' for the full application amount;
f. Investors may note that where payment is made by drafts purchased from NRE/ FCNR accounts, as the case may be, an Account Debit Certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/ FCNR account should be enclosed with the CAF. Otherwise the application shall be considered incomplete and is liable to be rejected.

Application without repatriation benefits

a. As far as non-residents holding Equity Shares on non-repatriation basis are concerned, in addition to the modes specified above, payment may also be made by way of cheque drawn on Non-Resident (Ordinary) Account maintained in India or Rupee Draft purchased out of NRO Account maintained elsewhere in India but payable at Mumbai. In such cases, the Allotment of Equity Shares will be on non-repatriation basis.
b. All cheques/ drafts submitted by non-residents applying on a non-repatriation basis should be drawn in favour of "*Indiabulls Ventures Limited – Rights Issue – R*" and must be crossed 'account payee only' for the full application amount. The CAFs duly completed together with the amount payable on application must be deposited with the Collecting Bank indicated on the reverse of the CAFs before the close of banking hours on or before the Issue Closing Date. A separate cheque or bank draft must accompany each CAF.
c. Investors may note that where payment is made by drafts purchased from NRE/ FCNR/ NRO accounts, as the case may be, an Account Debit Certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/ FCNR/ NRO account should be enclosed with the CAF. Otherwise the application shall be considered incomplete and is liable to be rejected.
d. New demat account shall be opened for holders who have had a change in status from resident Indian to NRI. Any application from a demat account which does not reflect the accurate status of the Applicant are liable to be rejected.

Notes

a. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the I.T. Act.
b. In case Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India.
c. The CAF duly completed together with the amount payable on application must be deposited with the Collecting Bank indicated on the reverse of the CAFs before the close of banking hours on or before the Issue Closing Date. A separate cheque or bank draft must accompany each CAF.
d. In case of an application received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines/ rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of section 38 of the Companies Act which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under section 447".

Section 447 of the Companies Act provides for punishment for fraud which inter alia states punishment of imprisonment for a term which shall not be less than six month but which may extend to ten years and shall be liable to a fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Payment by Stockinvest

In terms of RBI Circular DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003, the Stockinvest Scheme has been withdrawn. Hence, payment through Stockinvest would not be accepted in this Issue.

Disposal of application and application money

No acknowledgment will be issued for the application moneys received by us. However, the Banker to the Issue/ Registrar to the Issue/ Designated Branch of the SCSBs receiving the CAF will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each CAF. Our Board reserves its full, unqualified and absolute right to accept or reject any application, in whole or in part, and in either case without assigning any reason thereto.

In case an application is rejected in full, the whole of the application money received will be refunded. Wherever an application is rejected in part, the balance of application money, if any, after adjusting any money due on Rights Equity Shares allotted, will be refunded to the Investor within the timelines prescribed under applicable law. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law For further instructions, please read the CAF carefully.

Utilisation of Issue Proceeds

Our Board declares that:

1. All monies received out of the Issue shall be transferred to a separate bank account;
2. Details of all monies utilised out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
3. Details of all unutilised monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested; and
4. Our Company may utilise the funds collected in the Issue only after the Basis of Allotment is finalized.

Undertakings by our Company

Our Company undertakes the following:

1. The complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily.
2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Equity Shares are to be listed will be taken within seven working days from the date of finalization of the Basis of Allotment.
3. The funds required for making refunds to unsuccessful applicants as per the modes disclosed shall be made available to the Registrar to the Issue by us.
4. We undertake that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
5. Adequate arrangements shall be made to collect all ASBA applications and to consider them similar to non-ASBA applications while finalising the basis of Allotment.
6. The certificates of the securities/ refund orders to the non-resident Indians shall be dispatched within the specified time.

7. Except as Equity Shares that may be allotted under ESOS, no further issue of securities affecting our equity capital shall be made till the securities issued/ offered through this Draft Letter of Offer and are listed or till the application money are refunded on account of non-listing, under-subscription etc.
8. At any given time there shall be only one denomination of our Equity Shares.
9. We accept full responsibility for the accuracy of information given in this Draft Letter of Offer and confirm that to the best of our knowledge and belief, there are no other facts the omission of which makes any statement made in this Draft Letter of Offer misleading and further confirms that we have made all reasonable enquiries to ascertain such facts.
10. All information shall be made available by the Lead Manager and the Issuer to the Investors at large and no selective or additional information would be available for a section of the Investors in any manner whatsoever including at road shows, presentations, in research or sales reports etc.
11. We shall comply with such disclosure and accounting norms specified by SEBI from time to time.

Minimum Subscription

If our Company does not receive minimum subscription of 90% of the Issue, our Company shall refund the entire subscription amount within the prescribed time. In the event that there is a delay of making refunds beyond such period as prescribed by applicable laws, our Company shall pay interest for the delayed period at rates prescribed under applicable laws.

Important

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the accompanying CAF are an integral part of the conditions and must be carefully followed; otherwise the application is liable to be rejected.
2. All enquiries in connection with the Letter of Offer or accompanying CAF and requests for SAFs must be addressed (quoting the Registered Folio Number/ DP and Client ID number, the CAF number and the name of the first Equity Shareholder as mentioned on the CAF and super scribed "*Indiabulls Ventures Limited -Rights Issue*" on the envelope and postmarked in India) to the Registrar to the Issue at the following address:

   Karvy Computershare Private Limited
   Karvy Selenium Tower B, Plot 31-32, Gachibowli
   Financial District, Nanakramguda
   Hyderabad – 500 032, India
   Telephone: +91 40 6716 2222
   Facsimile: +91 40 2343 1551
   Email: einward.ris@karvy.com
   Investor grievance email: indiabullsventures.rights@karvy.com
   Website: www.karisma.karvy.com
   Contact Person: M Murali Krishna
   SEBI Registration No.: INR000000221

It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in "*Risk Factors*" on page 19.

The Issue will remain open for a minimum 15 days. However, our Board will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date. The Board of Directors pursuant to their meeting held on September 21, 2017 have proposed amendement to Article 18(b) of the Articles of Association, in relation to notice for any further offering of shares to be in accordance with the time prescribed under the applicable laws, subject to the approval of the Shareholders at the EGM proposed to be held on October 23, 2017.

SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

TERMS OF THE ARTICLES OF ASSOCIATION

Article 1 of the Articles of Association of the Company has been altered vide special resolution passed in the 19th Annual General Meeting of the members of the Company held on September 29, 2014.

ARTICLES OF ASSOCIATION OF INDIABULLS VENTURES LIMITED		
1.	Subject to the provisions contained in these Articles, the regulations contained in Table F of Schedule I shall apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the management of the Company, so that the Articles shall to the extent to which they are repugnant to and / or at variance with the provisions of the Companies Act 2013, various Schedules thereto and the Rules made thereunder (collectively referred to as “Act”), be deemed to have been replaced by the relevant provisions/ rules in the Act so as to be in consonance and harmony therewith.	Table F
INTERPRETATION		
2.	In the interpretation of these Articles the following words or expressions shall have the following meaning unless repugnant to the subject or context:	“Interpretation Clause”
	“Auditor” means the statutory auditors of the Company appointed by the Company in accordance with the provisions of the Act	“Auditor”
	“Board” or “Board of Directors” means the Board of Directors for the time being of the Company.	“Board” and “Board of Directors”
	“Beneficial Owner” means a person whose name is recorded as such with a Depository.	“Beneficial Owner”
	“Chairman” means the Chairman of the Board for the time being of the Company	“Chairman”
	“Claims” shall mean any losses, liabilities, claims, damages, costs and expenses, including reasonable legal fees and disbursements in relation thereto.	“Claims”
	“Director” means a member of the Board for the time being of the Company and includes an alternate director.	“Director”
	“Debenture” includes debenture stocks.	“Debenture”
	“Depository” means a company formed and registered under the Companies Act, 1956 (1 of 1956), and which has been granted a certificate of registration under sub-section (1A) of section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992).	“Depository”
	“Dividend” includes Interim dividend.	“Dividend”
	“Equity Shares” shall mean equity shares of the Company having a par value of Rs. 10/- (Rupees Ten) each and upon the effectiveness of the Scheme shall mean equity shares of the Company having a par value of Rs. 2/- (Rupees Two) each.	“Equity Shares”
	“General Meeting” or “Meeting” means a general meeting of the members.	“General Meeting” or “Meeting”
	“Managing Director” means the Managing Director(s) for the time being of the Company so appointed.	“Managing Director”
	“Member” or “Shareholder” means duly registered holder of the shares of the Company and whose name is entered in the Register.	“Member” or “Shareholder”
	“Month” means calendar month.	“Month”
	“Office” means the Registered Office for the time being of the Company.	“Office”
	“Person” includes body corporate, firm, association of firms and society registered under the Societies Registration Act.	“Person”
	“Proxy” includes an Attorney duly constituted under a Power of attorney.	“Proxy”
	“Register” means the Register of members kept pursuant to Section 150 of the Act.	“Register”

	"Shares" mean voting shares in the capital of the Company and includes all rights and interests therein, bonus shares and any shares issued in exchange thereof by way of conversion or reclassification and any shares representing or deriving from such shares as a result of any increase in or reorganisation or variation of the capital of the Company.	"Shares"
	"Seal" means the Common Seal for the time being of the Company.	"Seal"
	"Table A" means the Table A of the First Schedule to the Act.	"Table A"
	"The Company" or "Company" means INDIABULLS VENTURES LIMITED	"The Company" or "Company"
	"The Act" means the Companies Act, 1956 and includes any re-enactment or statutory modification thereof for the time being in force.	"The Act"
	"These presents" means the Memorandum of Association and these Articles of Association of the Company for the time being in force.	"These Presents"
	"Whole time Directors" means the Whole time Director for the time being of the Company.	"Whole time Directors"
	(a) Unless the context otherwise requires, words or expression contained in these Regulations shall bear the same meaning as in the Act or any statutory modification thereof.	
	(b) 'In writing' and 'written' includes printing, lithography and any other modes of representing or reproducing words in a visible form.	
	(c) Words importing the singular number shall include the plural number and vice versa.	
SHARES		
3.	Copies of Memorandum and Articles of Association of the Company shall be furnished to every member of the Company at his request on payment of Re.1(One) each.	Copies of Memorandum and Articles to be given to members
4.	The authorised Share Capital of the Company is as mentioned in Clause V of the Memorandum of Association of the Company.	Share Capital
5.	Subject to the provisions of Section 80 of the Companies Act, 1956, the Company may issue preference shares, which are or at the option of the Company are liable to be redeemed and/or converted into equity share capital, on such terms and in such manner and time, as the resolution authorising such issue shall prescribe.	Issue of Preference Shares
6.	Subject to the provisions of these Articles, the shares shall be under the control of the Board who may allot or otherwise dispose of the same to such person, on such terms and conditions, at such times, either at par or at a premium and for such consideration as the Board thinks fit	Shares at the disposal of the Directors
7.	The Directors may allot and issue shares in the Capital of the Company as partly or fully paid up in consideration of any property sold or goods transferred or machinery supplied or for services rendered to the Company in the conduct of its business.	Allotment of shares as partly or fully paid up
8.	Unless the shares of the Company are held with a Depository, the shares in the Capital shall be numbered progressively according to their several denominations.	Shares to be numbered progressively
9.	Except as required by law, no person shall be recognised by the Company as holding any shares upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof), any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.	Company not bound to recognize any interest in shares other than that of the registered holder
10.	The Company may pay commission to any person prescribed under Section 76 of Act and that such commission may be paid in cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares or debenture pay such brokerage as may be lawful.	Commission and Brokerage
11.	Save as permitted by Section 77 of the Act, the funds of the Company shall not be employed in the purchase of or lent on the security of, shares of the	Funds of the Company not to be

	Company. The Company shall not give, directly or indirectly, any financial assistance whether by way of loan, guarantee, security or otherwise any financial assistance for the purpose of or in connection with any purchase of or subscription for any shares in the Company.	used for giving financial assistance
12.	Subject to the provisions of section 77A, 77AA and 77B and any statutory amendments or reenactments thereof and compliance of the provisions thereof by the Company, the Company is authorised to purchase its own shares or other specified securities.	Purchase by the Company of its own shares
13.	Subject to the provisions of section 78 and section 79 of the Act, the Company may issue shares at a premium or at a discount.	Issue of shares at premium or discount
14.	The Company, subject to the provisions of section 79A of the Act, may issue sweat equity shares of a class of shares already issued. All the limitations, restrictions and provisions relating to equity shares shall apply to such sweat equity shares.	Issue of sweat equity shares
15.	If, by the conditions of issue of any shares, the whole or part of amount of issue price thereof shall be payable in installments, every such installment shall, when due, be paid to the Company, by the person who, for the time being, shall be the registered holder of the share or by his executor or administrator as the case may be	Payment of issue price in installments
16.	The Joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share.	Liability of Joint holders
17.	Share(s) may be registered in the name of any person, company or other body corporate. Not more than three persons shall be registered as joint holders of any shares. Shares may be registered in the name of any minor through a guardian only as fully paid shares.	Registration of shares in the name of person, company or body corporate
FURTHER ISSUE OF SHARES		
18.	Where at the time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, which ever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares either out of the un-issued capital or out of the increased share capital then: (a) such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the company, in proportion, as near as circumstances admit, to the capital paid up on those shares at the date. (b) such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than thirty days from the date of the offer and the offer if not accepted will be deemed to have been declined.* (c) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right. PROVIDED THAT the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him. (d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose off them in such manner and to such person(s) as they may think, in their sole discretion, fit.	Increase of share capital by further issue of shares
19.	Notwithstanding anything contained in Article 18 thereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of Article 18 hereof) in any manner whatsoever. (a) If a special resolution to that effect is passed by the Company in General Meeting, or	Offering further shares to any person

	(b) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the general meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board in this behalf that the proposal is most beneficial to the Company.	
20.	Nothing in sub-clause (c) of clause 18 hereof shall be deemed: (a) to extend the time within which the offer should be accepted; or (b) to authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.	Renouncing further shares issued
21.	Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company: i. to convert such debentures or loans into shares in the Company: or ii. to subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise). PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term: (a) either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf: and (b) In the case of debentures or loans or other than debentures issued to or loans obtained from Government or any Institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.	Non-applicability of terms to increase of subscribes capital due to exercise of an option
EMPLOYEE STOCK OPTIONS/STOCK PURCHASE		
22.	Subject to the provisions of Section 81 of the Act and other applicable law, the Company may issue options to the whole-time directors not being directors holding 10% or more of the capital of the Company or directors forming part of the promoter group, officers or employees of the Company, its subsidiaries or its parent, which would give such directors, officers or employees, the benefit or right to purchase or subscribe at a future date, the securities offered by the Company at a pre-determined price, in term of schemes of employee stock options or employees share purchase or both.	Employee Stock Option/Stock Purchase
INCREASE AND REDUCTION OF CAPITAL		
23.	The Company in General Meeting may, from time to time, by ordinary resolution increase the share capital of the Company by the creation of new shares by such sum, to be divided into shares of such amount as may be deemed expedient.	Increase of share capital by creation of new shares
24.	Subject to any special rights or privileges for the time being attached to any shares in the capital of the Company when issued, the new shares may be issued upon such terms and conditions and with such preferential, qualified or such rights and privileges or conditions there to as general meeting resolving upon the creation thereof shall direct. If no direction be given, the Board shall determine in particular the manner in which such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company	Issuance of new shares with rights and privileges
25.	Before the issue of any new shares, the Company in General Meeting may make provisions as to the allotment and issue of the new shares and in particular may determine to whom the shares be offered in the first instance and whether at par or premium or at a discount. In case no such provision is	Allotment of new shares, to whom and at par or premium

	made by the Company in General Meeting, the new shares may be dealt with according to the provisions of these Articles.	
26.	Except so far as otherwise provided by the conditions of issue or by these presents any capital raised by the creation of new shares shall be considered part of the then existing capital of Company and shall be subject to the provisions herein contained with reference to the payment of dividends, calls and installments, transfer and transmission, forfeiture, lien, voting, surrender and otherwise	Part of existing share capital
27.	If, owing to any inequality in the number of new shares to be issued and the number of shares held by members entitled to have the offer of such new shares, any difficulty arising in the allotment of such new shares or any of them amongst the members shall, in the absence of any direction in the resolution creating the shares or by the Company in general meeting, be determined by the Board.	Final decision during allotment of shares to be determined by the Board
28.	Subject to the provisions of sections 100 to 103 of the Act, the Company may, from time to time in any manner, by special resolution and subject to any consent required under sections 100 to 103 of the Act, reduce: (a) its share capital (b) any capital redemption reserve (c) any share premium account.	Reduction of capital or reserves
29.	Subject to provisions of sections 100 to 105 of the Act, the Board may accept from any member the surrender, on such terms and conditions as shall be agreed, of all or any of his shares	Surrender of shares
30.	Deleted	
ALTERATION OF SHARE CAPITAL		
31.	The Company, by ordinary resolution may, from time to time: (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares. (b) sub-divide its share or any of them into shares of smaller amount than is fixed by the Memorandum of Association so, however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived. (c) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of share so cancelled.	Power of the company to alter its share capital
32.	Where any share capital is sub-divided, the Company in General Meeting, subject to the provisions of Section 85, 87 and 106 of the Act, may determine that as between the holders of the shares resulting from sub-division, one or more of such shares shall have same preferential or special rights as regards dividend, payment of capital, voting or otherwise	Determination of rights after alteration of share capital
VARIATION OF SHARE HOLDER'S RIGHTS		
33.	If at any time the share capital is divided into different classes of shares, all or any of the rights and privileges attached to any class (unless otherwise prohibited by the terms of issue of the shares of that class) may, subject to the provisions of sections 106 and 107 of the Act, whether or not the Company is being wound up, be modified, commuted, affected, abrogated, varied or dealt with by the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of three fourths of the issued shares of that class. To every such separate meeting the provisions of these regulations relating to general meeting shall mutatis mutandis apply but so that necessary quorum shall be five members or all the members holding or represented by proxy of the entire issued share of the class in the question.	Variation of shareholders' rights
SHARE CERTIFICATES		
34.	Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered	Issuance of share certificates

	in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up there on and shall be in such form as the Directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holders. The provisions of this Article shall mutatis mutandis apply to debentures of the Company. Nothing contained herein shall apply to transfer of a security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the records of a Depository.	
35.	The certificate of shares registered in the name of two or more persons shall be delivered to the person first named in the Register	Certificate be delivered to the person first named of joint-holders
36.	If any certificate be worn out, defaced, mutilated or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs. 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Board shall comply with such Rules or Regulation or requirement of any stock exchange or the Rules made under the Securities Contract (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.	Renewal of Certificate
37.	If the securities of the Company are dealt with in a Depository, the Company shall intimate the details of allotment of securities to Depository immediately on allotment of such securities.	Intimation to Depository of allotment of securities
CALLS		
38.	The Board may, from time to time, subject to terms on which any shares may have been issued and subject to the provisions of Section 91 of the Act, make such calls as the Board thinks fit upon the members in respect of all moneys unpaid on shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times. Each member shall pay the amount of every call so made on him to the persons and the times and places appointed by the Board, provided that option or right to make call on shares shall not be given to any person except with the sanction of the Company in a General Meeting. A call may be made payable by installment and be	Board may make calls on shares

	deemed to have been made at the time when the resolution of the Board authorising such call was passed at a meeting of Board.	
39.	No call shall exceed one fourth of the nominal amount of a share or be made payable at less than one month from date fixed for the payment of the last preceding call. Not less than fourteen days' notice of any call shall be given specifying the time and place of payment and the person or persons to whom such call, shall be paid. Provided that, before the time for payment of such call the Board, may, by notice in writing to the members, revoke the same or extend the time for payment thereof.*	Conditions of making calls
40.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed times, whether on account of the nominal amount of the share or by way of premium, every such amount or installment shall be payable as if it were call duly made by the Board and of which due notice has been given and all the provisions herein contained in respect of calls or otherwise shall relate to such amount or installment accordingly.	Payment of amount on calls duly made
41.	If the sum payable of any call or installment be not paid on or before the day appointed for payment, the holder for the time being of the shares in respect of which the call shall have been made or the installment shall be due, shall pay interest for the same at such rate not exceeding 18 % (Eighteen percent) per annum from the day appointed for the payment thereof to the time of the actual payment or at such other rate as the Directors may determine from time to time. The Directors may in their absolute discretion waive the payment of interest, wholly or in part in the case of any person liable to pay such call or installment.	Calls to carry interest
PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST		
42.	The Board may, if it thinks fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced. The Company may pay interest at such rate not exceeding 18 % (Eighteen) or as determined by the Board from time to time unless the Company in General Meeting shall otherwise direct.	Payment in anticipation of call may carry interest
43.	The members shall not be entitled to any voting rights in respect of the moneys so paid by them the same would but for such payment, become presently payable.	Not entitled to voting rights
44.	The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.	These shall be applicable to calls on debentures
45.	Subject to the provisions of the law of Evidence and Procedure, on the trial or hearing or any action or suit brought by the Company against any share holder or his representative to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose on the Register of the Company as a holder or one of the holders, of the number of shares in respect of which such claim is made and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted, nor any other matter by the proof of the matters aforesaid shall be conclusive evidence of the debt.	Legal proceedings against shareholder to recover money
46.	No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by	No voting rights if sum payable on calls is due

	him have not been paid or in regard to which the Company has exercised any right of lien	
47.	A call may be revoked or postponed at the discretion of the Board.	Revocation or postponement of call
48.	The Directors may from time to time, at their discretion extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of residence at a distance or some other cause, may be deemed fairly entitled to such extension, but no member shall, as a matter of right, be entitled to such extension (save as a matter of grace and favour).	Board may extend time
49.	Every member, his executors or administrators shall pay to the Company the proportion of the Capital represented by his share or shares which may for the time being, remain unpaid thereon in such amount at such time or times and in such manner as the Directors shall, from time to time, in accordance with the Company's regulations, require or fix for the payment thereto.	Payment of the proportionate capital as represented by shares
	SHARES AT THE DISPOSAL OF THE DIRECTORS	
50.	Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares. Provided that option or right to call on shares shall not be given to any person or persons without the sanction of the Company in a General Meeting.	Shares at the disposal of Directors
FORFEITURE OF SHARES		
51.	If a member fails to pay any sum payable in respect of any call or any installment of a call, on or before the day appointed for payment thereof, the Board may at any time there after during such time as any part of the said call or installment remains unpaid, serve a notice on such member requiring payment of so much of the call or installment as is unpaid together with any interest which may have accrued and all expenses that they may have been incurred by the Company by reason of such non-payment.	If money payable on shares not paid, notice to be given to member
52.	The notice aforesaid shall name a further day not being earlier than the expiry of thirty days from the date of service of notice, on or before which such call or payment required by notice, is to be made and a place at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall state that in the event of non-payment, on or before the date so named the shares in respect of which such call or installment was payable shall be liable to be forfeited.	Terms of notice
53.	If the requirements of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may at any time thereafter, before the payment of calls or installment, interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such Forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture, subject to section 205 A of the Act.	In default of payment, shares to be forfeited
54.	When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof shall forthwith be made in the Register of Members but no forfeiture shall in any manner be	Notice of forfeiture to the member

	invalidated by any omission or failure to give such notice or to make such entry as aforesaid.	
55.	Any share so forfeited shall be deemed to be property of the Company, and may be sold or otherwise disposed off on such terms and in such manner as the Board thinks fit.	Forfeited shares to be property of the Company
56.	The Board may at any time before any share so forfeited shall have been sold or otherwise disposed off, annul the forfeiture upon such terms and conditions, as it thinks fit.	Power to annul forfeiture
57.	(i) A person whose shares have been forfeited shall cease to be member in respect of forfeited shares, but shall not withstanding the forfeiture remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares. (ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. (iii) The forfeiture of a share shall involve the extinction of all interest in and also for all claims and demands against the Company in respect of the shares and all other rights, incidental to the share except any such of those rights as by these Articles are expressly saved.	Member still liable to pay money owed at time of forfeiture and interest Effect of forfeiture
58.	A duly verified declaration in writing that the declarant is a Director of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the shares on any sale or disposal thereof and may execute a transfer of share in favour of the person to whom the share is sold or disposed of. On receipt by the Company of the consideration, if any given for the shares on the sale or disposition thereof, the transferee shall be registered as the holder of such shares and the purchaser shall not be bound to see to the application of purchase money, nor shall his title to such shares be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.	Declaration as to forfeiture
59.	The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share becomes payable at a fixed time whether on account of the nominal value of the share or by way of premium as if the same has been payable by virtue of a call duly made and notified.	Non-payment of other sums payable at fixed time
60.	When any shares under the powers in that behalf herein contained are sold by the Directors and the certificate has not been delivered to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered.	Issuance of new certificate after selling of shares if previous certificate is not returned
61.	Neither the receipt by the Company of a portion of any money which shall from time to time, be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Board from thereafter proceeding to enforce a forfeiture of such shares as provided in these regulations for non-payment of the whole or any balance due in respect of the shares.	Forfeiture for non-payment of whole or balance amount
CONVERSION OF SHARES INTO STOCK		
62.	The Company may, by ordinary resolution: (i) convert any paid-up shares into stock; and (ii) reconvert any stock into paid-up shares of any denomination.	Power to convert shares into stock or stock into shares
63.	The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	Transfer of stock
COMPANY'S LIEN ON SHARES		

64.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any shares shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures subject to section 205A of the Act. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any on such shares/debentures. The Directors may, at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.	Lien
65.	For the purpose of enforcing such lien the Board may sell the shares in such manner as it thinks fit, but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member, his executor or administrator or other legal representative as the case may be and default shall have been made by him or them in payment of the sum payable as aforesaid in respect of such share for fourteen days after the date of such notice.	Lien how exercised
66.	The net proceeds of the sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon share before the sale) be paid to the person entitled to the share at the date of the sale.	Dealing with the proceeds from sale
67.	Upon any sale after forfeiture or surrender or for enforcing a lien purported in exercise of the powers herein conferred, the Board may appoint some person to execute the instrument of transfer of the share sold and cause the purchaser's name to be entered in the Register in respect of the share sold and the purchaser shall not be bound to see to the regularity of the proceedings nor to the application of the purchase money. After his name has been entered into the Register in respect of such share, the validity of the sale shall not be impeached by any person on any ground whatsoever and the remedy of any person aggrieved by such sale shall be in damages only and against the Company exclusively.	Executing the instrument of transfer of share and entering purchaser’s name in the register
TERM OF ISSUE OF DEBENTURE		
68.	Any debentures, debentures stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.	Issue of Debentures
TRANSFER AND TRANSMISSION		
69.	Save as provided in Section 108 of the Act, no transfer of share shall be registered unless a proper instrument duly stamped and executed by or on behalf of the transferor and by or on behalf of transferee and specifying the name, address and occupation of the transferee has been delivered to the Company along with the certificate relating to the shares or if no such certificate is in existence along with the letter of allotment of the shares, in accordance with the provisions of Section 108 of the Act. The transferor shall be deemed to remain a member in respect of such share until the name of the transferee is entered in the Register in respect thereof. The signature of one credible witness who shall add his address shall duly attest each signature to such transfer. Provided, that, where on application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the	Registering a transfer by registering and executing a proper instrument

	transferee has been lost, the Company may register the transfer on such terms as the Board may think fit so as to indemnify the Company.	
70.	Application for the registration of the transfer of a share may be made either by the transferor or the transferee, provided that, where such application is made by the transferor, no registration shall, in the case of the partly paid share, be effected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 110 of the Act, and subject to the provisions of these Articles, the Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee.	Application for registration of transfer
71.	Every instrument of transfer of shares shall be in the form prescribed under the Act or as near thereto as the circumstances may admit and shall be in accordance with the provisions of Section 108 of the Act, from time to time.	Form of transfer
72.	No fee shall be charged for transfer of shares/ debentures or for effecting transmission or for registering any letters of probate, letters of administration and similar other documents.	No fees for effecting transfer and registering such documents
73.	Nothing contained in Articles 75, 76 and 77 shall apply to transfer of a security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the records of a Depository.	Not applicable for Beneficial Owners as mentioned in the record of the Depository
74.	No fee may be charged: (a) For splitting up, sub-division and consolidation of shares and debenture certificates and for splitting up and sub-division of Letters of Allotment and splitting, consolidation, renewal into denomination corresponding to the market Units of trading as per Rules of Stock Exchange concerned. (b) For sub-division of right shares offered to share holders. (c) For issue of new certificates in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilised. (d) (d) For registration of any power of attorney, probate or will, Certificate and Letter of Administration, Succession Certificate, Certificate of Death or Marriage or similar other documents.	No fees payable on splitting, transmission, consolidation, sub-division, issuance of new certificates or registration of certain documents
75.	The provisions of Section 111 of the Companies Act, 1956, regarding powers to refuse Registration of Transfer and appeal against such refusal should be adhered to. Provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the company has a lien on the shares. Transfer of shares/debentures in whatever lot shall not be refused.	Power to refuse registration of transfer and appeal against such refusal
74A	Subject to the provisions of Section 111A of the Act the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not as affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares. Transfer of shares/debentures in whatever lot shall not be refused.	Board may refuse to register transfer

76.	Every instrument of transfer shall be left at the office of the Company for registration, accompanied by the certificate, of the shares to be transferred or if there is no certificate, the letter of Allotment thereto and such other evidence as the Board may require to prove the title of the transferor or his right to transfer the share. The Board may waive the production of any certificates upon production of evidence to them of its having been lost or destroyed. The Company shall retain every instrument of transfer, which shall be registered, but any instrument of transfer which the Board may refuse to register shall be returned to the person depositing the same.	Transfer to be presented with evidence of title
77.	Subject to the provisions of Section 154 of the Act, the registration of transfer may be suspended at such times and for such periods as the Board may from time to time determine. Provided that, such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.	Suspension of registration of transfer
78.	If the Board refuses to register the transfer of or the transmission by operation of law of the right to any share, the Company shall within two months from the date on which the instrument of transfer or the intimation of such transmission, as the case may be, give notice of such refusal.	Notice of refusal on account of refusal to register the transfer
79.	The executor or administrators of a deceased member (not being one of several joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member. In case of the death of any one or more of the joint holders of any registered shares, the survivors shall be the only person recognised by the Company as having any title to or interest in such shares. But nothing herein contained shall be taken to release Board may require him to obtain a Grant of Probate or letters of Administration or other legal representation as the case may be from some competent court. Provided nevertheless that in any case where the Board in its absolute discretion think fit, it shall be lawful for the Board to dispense with the production of Probatory letters of Administration or such other legal representation upon such terms as to indemnify or otherwise as the Board in its absolute discretion may consider necessary.	Title to shares of deceased members
80.	Any committee or guardian of a lunatic or infant member or any person be coming entitled to transfer of shares in consequence of the death, bankruptcy, insolvency of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under the Articles or of the title as the Board thinks sufficient, may with consent of the Board (which it shall not be under any obligation to give) be registered as a member in respect of such shares or any subject to the regulations as to transfer herein before contained. (The Article is hereinafter referred to as “The Transmission Article”).	Registration of shares to persons other than by transfer
81.	Subject to Sec.205A of the Act, the Directors may retain the dividend payable upon any shares presented to the Company or its Registrar and Transfer Agent (RTA) for transfer, unless such person becomes entitled to such shares upon registration of transfer or unless the transferor of shares has authorised the Company to transfer the shares in favour of the transferee.	Retention of dividend by the Director
82.	(a) If the person becoming entitled to shares under Article 88 shall elect to be registered as member in respect of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. (b) If the person aforesaid shall elect to transfer the shares, he shall testify his election by execution of an instrument of transfer of shares. (c) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfer of share shall be applicable to any such notice or transfer as aforesaid as if the death, insanity, bankruptcy or insolvency of the member had not occurred and the notice of transfer were a transfer signed by that member.	Election of person for registration as a member
83.	A person so becoming entitled under the transmission Articles to a share by reason of death, lunacy, bankruptcy or insolvency of a member shall, subject to the provision of the Articles or Section 206 of the Act, be entitled to the same dividend and other advantages to which he would be entitled if he was	Entitlement of dividend

	the member registered in respect of the share except that he shall not before being registered as a member in respect of the share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other money payable in respect of the share, until the requirements of the notice have been complied with.	
84.	The Company shall incur no liability or responsibility in consequence of its registering to give effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to be prejudice or persons having or claiming any equitable right, title or interest to or in the said shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard or attend to any such notice and give effect thereto.	The Company shall not be liable for disregard of a notice prohibiting registration of a transfer
BORROWING POWERS		
85.	The Board may from time to time subject to the sections 58A, 292 and 293 of the Act, at their discretion raise or borrow any sum or sums of money for the purpose of the Company and subject to the applicable provisions of the Act may secure payment or repayment of same in such manner and upon such terms and conditions in all respect as may be prescribed by the Board, in particular by the creation of any mortgage or charge or other encumbrances on any of the immovable properties of the company or hypothecation, pledge or charge on and over the Company's stocks, book debts and other movable properties.	Borrowing power of the Board
86.	The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions as they think fit and in particular, by the issue of bonds, perpetual or redeemable debentures or debenture-stock or any mortgage, charge or other security on the undertaking of the whole or any part of the property (both movable and immovable) of the Company both present and future including its uncalled capital for the time being or by giving, accepting or endorsing on behalf of the Company any promissory notes, bills of exchange or other negotiable instruments and no debenture shall carry any voting right whether generally or in respect of any particular class or classes of business.	Raising or securing payment
87.	If any uncalled capital is included in or charged by any mortgage of other security, the Directors may, by instrument under the Seal authorise the person in whose favour such mortgage or security is executed or any other person in trust for him to make calls on the member in respect of such uncalled capital, and the provisions herein before contained in regard to calls shall, mutatis mutandis apply to calls, made under such authority and may be made exercisable either conditionally and either presently or contingently and either, to the exclusion of the Director's powers or otherwise, and shall be assignable if expressed so to do.	Authority to make calls in favour of whom mortgage or security is executed
88.	Any debenture-stock or other securities may be issued at a discount premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges such as warrants etc. and conditions as to redemption, surrender, drawing, allotment of shares, attending at General Meeting, appointment of Directors and otherwise. The power to issue debenture stock or other securities with a right to allotment of	Issuance of debenture-stock

	or conversion into shares of any denomination shall only be exercised by the Company in the General Meeting.	
89.	Save as provided in Section 108 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificates of the debentures.	No transfer of debentured without registration of a proper instrument
90.	If the Board refuses to register the transfer of any debentures of the Company, it shall within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and to the transferor notice of the refusal.	Notice of refusal to be sent on refusal to register the transfer of debentures
91.	Subject to section 201 of the Act, if any Director or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security cover for effecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or any person so becoming liable, as aforesaid, from any loss in respect of such liability.	Personal liability of Director
92.	Subject to Section-58A, 292 and 293 of the Act and the Companies (Acceptance of Deposits) Rules, 1975 the Company may receive deposits on such terms and conditions and bearing interest at such rates as the Board may decide and fix and which may be made payable monthly, quarterly, half yearly or yearly.	Receiving deposits with interest
93.	The Company may subject to the provisions of Section 208 of the Act, pay interest on so much of the share capital as is for the time being paid up and was issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provision of any plant, which cannot be made profitable for a lengthy period.	Payment of interest
94.	Debentures/debenture stock, loan/loan stock, bonds or other securities conferring the right to allotment or conversion into shares or the option or right to call for allotment of shares shall not be issued except with the sanction of the Company in General Meeting.	Right to allotment or conversion into shares or right to call with respect to debentures shall not be done without the sanction in General Meeting
PROCEEDINGS AT GENERAL MEETING		
95.	Deleted	
96.	In addition to any other meetings, a general meeting of the Company shall be held within such interval as specified in Section 166(1) of the Act, and subject to the provisions of Section 166(2) of the Act, at such times and places as may be determined by the Board. Each such general meeting shall be called an 'Annual General Meeting' and shall be specified as such in the notice convening the meeting. Any other meeting of the Company shall be called an Extra Ordinary General Meeting.	Holding of the Annual General Meeting
97.	The Board may, whenever it thinks fit, call an Extra Ordinary General Meeting. If at any time there are not within India Directors capable of acting who are sufficient in number to form a quorum, the Directors present in India may call an Extra Ordinary General Meeting, in the same manner and as nearly as possible as that in which such a meeting may be called by the Board.	Calling an Extra Ordinary General Meeting
98.	The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members or other persons entitled to receive such notice shall not invalidate any resolution passed at any such meeting.	Omission to give notice of meeting shall not invalidate any resolution passed
99.	No business shall be transacted at General Meeting of the Company unless a quorum of members is present at the time when the meeting proceeds to commence business. Five members present in person shall be the quorum for the meeting of the Company. No business shall be transacted at any General Meeting unless the requisite quorum shall be present throughout the meeting.	Presence of quorum for transaction of business

100.	Any act or resolution which, under these Articles or the Act is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently so done or passed if effected by an ordinary resolution as defined in Section 189(1) of the Act unless either the Act or the Articles specifically require such act to be done or resolution to be passed by a special resolution as defined in Section 189(2) of the Act.	Passing of requisite resolutions
101.	The Chairman of the Board shall take the chair at every General Meeting. If there be no such Chairman or if at any meeting he shall not be present within fifteen minutes, or is unwilling to act, or if any of the Directors present decline to take the chair, then the members present shall choose one of their members being a member entitled to vote to be the Chairman of the meeting.	Chairman of the meetings
102.	If at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the Meeting if convened by or upon the requisition of Members shall stand dissolved. In any other case the Meeting shall stand adjourned in the same day in the next week or if that day is public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day and at such other time and place in the city or town in which the office of Company is for the time being situate, as the Board may determine, and if at such adjourned Meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present, shall be a quorum and may transact the business for which the Meeting was called.	If quorum not present, meeting to be adjourned or dissolved
103.	(a) Every question submitted to a meeting shall be decided, in the first instance by a show of hands and in the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote in addition to the vote to which he may be entitled as a member. (b) A declaration by the Chairman that a resolution has on a show of hands been carried unanimously or by a particular majority or lost and an entry to that effect in the minutes shall be conclusive evidence of the fact without further proof.	Voting by show of hands
104.	The Chairman of a General Meeting may adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	
105.	At any General Meeting unless a poll is demanded before or on the declaration of the result of the voting on any resolution and on the show of hands demanded by the Chairman or by members holding not less than one-tenth of the total voting power in respect of the resolution or by members holding shares on which an aggregate sum of not less than fifty thousand rupees has been paid up, a declaration by the Chairman that a resolution has been carried unanimously or by a particular majority or lost or not carried by a particular majority and an entry to that effect in the book containing the minutes to the proceedings of the meeting of the Company shall be conclusive evidence of the fact without proof of the number of proportion of the votes recorded in favour or against the resolution.	
106.	(a) If a poll is demanded as aforesaid it shall be taken forthwith on a question of adjournment or election of a Chairman of the meeting. (b) The person or persons who made the demand may withdraw the demand for a poll at any time before the poll is taken. (c) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers, at least one of whom shall be a member (not being an officer /employee of the Company) present at the meeting, provided such a member is available and willing to be appointed, to scrutinise the votes given on the poll and to report thereon to him. (d) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken. On poll a member entitled to more than one vote or his proxy or other persons entitled to vote for him, as	

	the case may be need not, if he votes, use all his votes or casting the same way all the votes he uses. (e) The demand for poll shall not prevent the meeting from transacting any business other than the business in respect of which a poll has been demanded.	
VOTES OF MEMBERS		
107.	Subject to any rights or restrictions for the time being attached to any class or classes of shares: (a) on a show of hands, every member present in person, shall have one vote, and (b) on a poll, the voting rights of Members shall be as laid down in Section 87 of the Act.	Number of votes per person
108.	Except as conferred by Section 87 of the Act the holders of preference shares shall have no voting right. Where the holder of any preference share has a right to vote on any resolution in accordance with the provisions of Sub-Section 2 of Section 87 of the Act, his voting right on a poll as the holder of such share shall subject to the provision of Section 89 and sub-section (2) of Section 92 of the Act be in the same proportion as the Capital paid in respect of the preference share bears to the total paid up equity capital of the Company.	No voting rights to preference share holders
109.	Deleted	
110.	Where a Company or body-corporate (hereinafter called "Member Company") is a member of the Company a person duly appointed by resolution in accordance with Section 187 of the Act to represent such member Company at a meeting of the Company shall not by reason of such appointment, be deemed to be a proxy and the production at the meeting of the copy of such resolution duly signed by one director of such member company and certified by him as true copy of the resolution shall, on production thereof at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment. Such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy on behalf of the same member company or body-corporate which he represents, as that member Company or body corporate could exercise if it were an individual member.	Person appointed to represent a member Company shall not be deemed a proxy
111.	Where there are joint registered holders of any shares any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of the said persons so present whose name stands first in the Register in respect of such shares shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint-holders thereof.	Either of the joint-holders to vote at the meeting
112.	If any Member were unsound mind he may vote whether on show of hands or at a poll by his committee curator bonus or other legal curator and such last mentioned persons may give their vote by proxy on a poll. If any Member is a minor, his guardian may give the vote in respect of his share. If more than one person claim to exercise the right of vote under this clause, the Chairman of the Meeting may select in his absolute discretion any one person and will accept his vote.	Terms for unsound and minor persons
113.	No Member not present in person shall be entitled to vote on a show of hands, unless such member is a company or corporation present by a representative who may vote on the resolution as if he were a member of the Company.	Present people can vote on show of hands
114.	On a poll, votes may be given either personally or by proxy or in the case of a Company, by a representative duly authorised as aforesaid.	Votes by proxy or personally on a poll
115.	Any Member of a Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person whether a member or not, as his proxy to attend and vote instead of himself but the proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll.	Right to appoint proxy
116.	The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if such appointer is	Instrument of proxy

	a body corporate under its common seal or under the hand of its attorney duly authorised. A proxy who is appointed for a specified meeting only shall be called a special proxy. Any other proxy shall be called a general proxy.	
117.	The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarial certified copy of that power or authority shall be deposited at the office not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid.	Deposit the instrument of proxy
118.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the instrument of proxy or of the authority under which the proxy was executed or transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Chairman at the office before the commencement of the Meeting provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.	Validity of votes given by proxy notwithstanding the death of member
119.	Every instrument appointing a special proxy shall, as nearly as circumstances admit, be in any of the forms as set out in Schedule IX to the Act or a form as near thereto as circumstances admit.	Form of proxy
120.	No Member shall be entitled to exercise any voting rights, either personally or by proxy, at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.	No member to vote unless calls are paid-up right of lien has been exercised by the company
121.	(i) Any objection as to the admission or rejection of a vote, on a show of hands or on a poll made in due time shall be referred to the Chairman of the meeting who shall forthwith determine the same and such decisions shall be final and conclusive. (ii) No objection shall be raised to the qualification of any voter except at meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.	Time for objection of votes
DIRECTORS		
122.	(a) The number of Directors of the Company shall not be less than three and not more than twelve (maximum). (b) The first Directors of the Company are:- 1. Mr. Atul Gupta 2. Mr. Anil Maheshwari 3. Mr. Subhash Chander Katyal 4. Mrs. Rashmi Gupta	Number of Directors
123.	The management of the Company shall vest in the Board of Directors.	Management vest with the Board
124.	Not less than two-thirds of total number of Directors of the Company shall: (a) be persons whose period of office is liable to determination by retirement of Directors by rotation; and (b) save as otherwise expressly provided in the Act or these presents be appointed by the Company in General Meeting.	Retirement by rotation of directors and non-retiring directors
125.	The Company in the General Meeting may, subject to provision of these presents and Section 259 of the Act, by special resolution, increase or reduce the number of its Directors.	Change in the number of directors by a special resolution
126.	Deleted	
127.	The Directors shall have powers at any time and from time to time to appoint any other person as a Director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only up to the	Power to appoint directors

	date of the next following Annual General Meeting of the Company but shall be eligible for reelection at such meeting.	
128.	Subject to the provisions of Section 313 of the Act or any statutory modification thereof, the Board shall have power to appoint any person to act as alternate director for a director during the latter's absence for a period of not less than three months from the State in which meetings of the Directors are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate director, shall be entitled to notice of meetings of the Board and to attend and vote there at accordingly but he shall not be required to hold any qualification shares, if any, and shall 'ipso facto' vacate his office if and when the original Director returns to the State in which meetings of the Board are ordinarily held or if the original director vacates his office as director.	Alternate Director
129.	A Director need not hold any share in the Company in his name as his qualification, but nevertheless shall be entitled to attend, speak and preside at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company.	Qualification of Director
130.	Each Director, other than the whole time paid Directors, may be paid such fee as may be notified by the Central Government from time to time pursuant to Section 310 of the Act and as approved by the Board, for each meeting of the Board of Directors or a Committee thereof attended by him. The Directors may also be paid the expenses as decided by Board, from time to time, in attending the meeting of the Board or a Committee of Board.	Fees payable to Directors
131.	In addition to the fee payable to the Directors under Article 130 hereof, the Directors may be paid reasonable traveling, hotel and other expenses in attending and returning from the meetings of the Board of Directors or any Committee thereof or in connection with the business of the Company as decided by the Board.	Paid expenses for Directors
132.	Subject to Section 198, 309, 310 and 314 of the Act, if any Director or Directors being willing shall be called upon to undertake and /or perform extra professional or other services or to make any special exertion in going or residing outside the office for any of the purposes of the Company or in giving special attention to the whole of or any part of the Business of the Company, the Board may remunerate such Director.	Remuneration upon undertaking extra professional or other services
133.	The continuing Directors may act notwithstanding any vacancy in the Board but, if and so long as their number is reduced below the quorum fixed by these presents for a meeting of the Board, the continuing Directors or Director may act for the purposes of increasing the number of Directors to that fixed for the quorum or of summoning of general meeting of the Company, but for no other purpose.	Directors may at notwithstanding vacancy
134.	Subject to the approval of the Board of Directors, a Director of the Company may be or become a Director of any company promoted by this Company or in which it may be interested as vendor, shareholder or otherwise and no such directors shall be accountable for any benefits received as a Director or member of such company.	Director may become a Director of a promoted company
135.	Subject to the fulfillment of the requirements of the provisions of Sections 297 to 301 of the Act, a Director shall be disqualified from contracting with the Company either as vendor, purchaser or otherwise for goods, materials or services or for underwriting the subscription of any shares in or debentures of the Company and any such contract or arrangement entered into by or on behalf of the Company with a relative of such Director or a firm in which such Director or relative is a partner or with any other partner in such firm or with a private company of which such Director is a member or Director be void, and any Director so contracting or being such member so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason of such Director holding this office or of the fiduciary relation thereby established.	Disqualifications of Director from entering in to a contract
136.	The Company may, subject to the provisions of Sec.284 of the Act by ordinary resolution of which special notice according to Section 190 of the Act has been given, remove any Director before the expiry of his period of	Removal of Director

	office and may by ordinary resolution of which special notice has been given, appoint another person instead of the removed Director. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been so removed. If the vacancy created by the removal of a Director under the provisions of this Article is not so filled by the meeting at which he is removed, the Board may at any time thereafter fill such vacancy under the provisions of these Articles.	
137.	If the office of any Director appointed by the Company in General Meeting is vacated before his term of office will expire, in the normal course, the resulting vacancy may be filled by the Board at a meeting of the Board, but any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been so vacated, provided that the Board shall not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under these Articles.	Casual Vacancy
138.	Subject to Section 259 of the Act the Company may by special resolution from time to time, increase or reduce the number of Directors, and may either alter their qualification and the Company may (subject to the provision of requirement Section 284 of the Act) remove any Director before the expiration of his period of office and appoint another person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.	Increase or decrease in the number of Directors and altering their qualifications
PROCEEDINGS OF DIRECTORS' MEETINGS		
139.	(a) The Directors may meet together for the despatch of business and may adjourn and otherwise regulate their meetings and proceedings as they may think fit, subject to the provision of Section 285 of the Act. (b) The Chairman, Director or any officer authorised by the Directors may call a meeting of the Board of Directors. (c) Subject to the provisions of Section 316, 372A(2) and 386 of the Act, questions arising at any meeting of the Directors shall be decided by a majority of votes and in case of any equality of votes the Chairman shall have a second or casting vote.	Meeting of Directors
140.	Notice of every meeting of the Board or a Committee thereof shall be given in writing to every Director for the time being in India and at his usual address in India to every other Director.	Written notice for meeting
141.	Subject to Section 287 of the Act, the quorum for the meeting of the Board shall be one third of its total strength or two Directors, whichever is higher, provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength in number, the remaining Directors, that is to say, the number of Directors who are not interested, present at the Meeting being not less than two, shall be the quorum during such meeting.	Quorum
142.	(a) The Board shall appoint from amongst its members a Chairman. (b) If at any meeting of the Board the Chairman shall not be present within thirty minutes of the time appointed for holding the same or if he is unable or unwilling to take the Chair then the Board may elect one of their other members to act as the Chairman of that meeting.	Appointment of chairman of the Board
143.	A meeting of Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles or the Act for the time being vested in or exercisable by the Board.	Power of Board Meeting
144.	Subject to the provisions of Section 292 and 293 of the Act, the Board may from time to time delegate any of its powers to a committee consisting of such member or members of their body, managers and other officer(s) of the Company as it may think fit and may revoke such delegation. Any Committee so formed shall, in exercise of the power so delegated, conform to any regulation that may from time to time be imposed upon it by the Board. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions contained for regulating the meeting and proceedings of the Directors, so far as the same are	Delegation of powers to Sub-committees of the Board

	applicable thereof and are not superseded by any regulations made by the Directors under this Clause.	
145.	All acts done at any meetings of the Directors or of a Committee or by any person acting as a Director, shall notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such Director or person had been duly appointed and was qualified to be a Director or a member of a Committee.	Validity of acts done at Board Meetings
146.	Save for the purpose of Sections 262, 292, 297,316, 372A and 386 of the Act, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Directors or of the Committee thereof duly called and constituted if it is circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or members at their usual address in India and has been approved by such of the Directors or members as are then in India or by a majority of such of them as are entitled to vote on the resolution.	Validity of Board resolutions
POWERS OF THE BOARD		
147.	Subject to the provisions of the Act, the Board shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorised to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other statute or by the Memorandum of Association of the Company or by these Articles or otherwise, to be exercised or done by the Company in General Meeting. Provided further, that in exercising any such powers or doing any such Act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of Association of the Company or in these Articles or in any regulations made by the Company in General Meeting but no regulations, made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.	Powers Of the Board
148.	The Company may exercise the powers conferred on it by Sections 157 and 158 of the Act with regard to keeping of a foreign Register and the Board may (Subject to the provisions of these sections) make and vary such regulations as it may think fit in respect of the keeping of any such register.	Foreign register
149.	Every debenture or other instrument issued by the Company for securing the payment of the money may be so framed that the moneys thereby secured shall be assigned free from any equities between the Company and the person to whom the same may be issued. Any debentures, debenture-stock, bonds or other instruments or securities may be issued at a discount, premium or otherwise and may be issued on a condition that they shall be convertible into any shares of any denomination and with any special privileges as to redemption surrender, drawing and allotment of shares or otherwise, provided that the debentures with right to conversion into or allotment of shares shall not be issued without consent of the Company in General Meeting.	Instrument for securing payment
150.	Every Director present at any meeting of the Board or of a Committee thereof shall sign his name in a book kept for that purpose.	Director present at a meeting to sign his name in a book
151.	The following powers shall be exercised by the Board or any Committee of the Board, or otherwise by the Company as may be so required: (a) To voluntarily liquidate the Company. (b) To increase or reduce the Company's capital. (c) To issue and allot new shares. (d) To make any Rights Issue of shares. (e) To adopt any resolution to alter the Memorandum and Articles of Association. (f) To join any other company or to invest in any other company.	

	(g) To Issue Debentures. (h) To undertake or permit any merger, consolidation or reorganisation of the Company. (i) To decide on the declaration of dividends and appropriation of profits. (j) Subject to the provisions of Section 372-A of the Act, to give to make any loan to any person or other body corporate or give guarantee or provide security in connection with a loan made by any other person to or to any other person by any body corporate.	
MANAGING / WHOLE TIME DIRECTORS		
152.	The Company by ordinary resolution or the Board of Directors may, subject to the provisions of sections 268, 269 and 314 and schedule XIII of the Act, from time to time appoint one or more of the Directors to be Managing Director(s) or other Whole time Director(s) of the Company, for a term not exceeding five years at a time and may from time to time (subject to the provisions of any contract between him or them and the Company) remove him or them from office by following the statutory procedures and appoint another or others in his or their place or places.	Appointment of Managing Director or Whole time Director
153.	Subject to the provisions of Sections 198, 309, 310 and 311 of the Act, a Managing Director or whole-time Director shall in addition to the usual remuneration payable to him as a director of the Company under these Articles, receive such additional remuneration as may from time to time be sanctioned by the Company and may be by way of fixed salary or at a specified percentage of the net profits of the Company or both, or in any other manner and extent otherwise determined. The Remuneration of Managing Director / whole time Director shall be deemed to accrue from day to day.	Remuneration payable
CHAIRMAN / VICE CHAIRMAN		
154.	The Board shall have powers at any time and from time to time to appoint any person to act as Chairman or one or more persons to act as Vice Chairman (men) of the Company who shall be entitled to exercise all such powers, and to do all such acts and things as may be authorised by the Board of Directors.	Appointment of Chairman to act as Vice Chairman
MANAGER		
155.	Subject to the provisions of section 197 A and 388 of the Act, the Board shall have power to appoint or employ any person to be the Manager of the Company upon such terms and conditions as the Board thinks fit and the Board may, subject to the provisions of Section 292 of the Act, vest in such manager such of powers, vested in the Board, as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to restrictions as it may determine and at such remuneration as it may think fit.	Power of Board to appoint Manager
156.	A Director may be appointed as General Manager/ Manager subject to Section 197 A, 314 and 388 of the Act.	Appointment of General Manager/Manager
SECRETARY		
157.	Subject to the section 383A of the Act, the Board may from time to time appoint or employ any person to be secretary of the Company upon such terms, conditions and remuneration as it thinks fit to perform any functions which by the Act or the Article for the time being of the Company are to be performed by the secretary and to execute any other purely ministerial or administrative duties which may from time to time be assigned to the secretary by the Board. The Board may, subject to the provisions of the Act, also at any time appoint some person (who need not be the secretary) to keep the registers required to be kept by the Company.	Appointment of Secretary
158.	Subject to the provisions of the Act, a Director may be appointed as a secretary.	Appointment of Director as a secretary
THE SEAL		

159.	(a) The Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy and substitute a new seal in lieu thereof and provide for its safe custody. (b) The seal shall not be affixed to any instrument except in the presence of a Director or an officer duly authorised who shall sign every instrument to which the seal shall be affixed. Provided, nevertheless, that any instrument other than a share certificate bearing the seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Board to issue the same. Provided further that in respect of issue of share certificates the provisions of the Companies (Issue of Shares Certificates) Rules, 1960 shall apply. (c) Subject to the provisions of Sections 50 of the Act the Directors may provide for use of an official seal in any territory outside India.	Common seal of the Company
ANNUAL RETURN		
160.	The Company shall make the requisite Annual Return in accordance with Section 159 and 161 of the Act.	Making requisite Annual Return
RESERVE		
161.	The Board may subject to Section 205 (2A) of the Act from time to time, before recommending any dividend set apart any portion of the profits of the Company as it thinks fit as reserves to meet contingencies or for the liquidation of any debentures, debts or other liabilities of the Company or for equalisation of dividends or for repairing, improving or maintaining any of the property of the Company and for such other purposes of the Company as the Board in its absolute discretion thinks conducive to the interest of the Company and may, subject to the provisions of Sections 372A of the Act, invest the several sums so set aside upon such investments (other than shares in the Company) as it may think fit and may from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and may divide the reserves into such special funds as it thinks fit, with full power to employ the reserve or any part thereof in the business of the Company and that without being bound to keep the same separated from the other assets. The Board may also carry forward any profits, which it may think prudent not to divide without setting them aside as a reserve.	Setting apart fund before declaration
162.	All moneys carried to the reserves shall nevertheless remain and be the profits of the Company available. Subject to due provisions being made for actual loss or depreciation, for the payment of dividends and such moneys and all other moneys of the Company not immediately required for the purpose of the Company may, subject to the provisions of Section 372A of the Act, be invested by the Board in or upon such investments or securities as it may select or may be used as working capital or be kept at any Bank or deposit or otherwise as the Board may from time to time think proper.	Money in reserves shall remain profits of the Company
CAPITALISATION OF PROFITS / RESERVES		
163.	(1) The Company in General Meeting may, upon the recommendation of Board, resolve: (a) To capitalise whole or any part of the amount for the time being standing to the credit of any of the Company's reserve account, or to the credit of the profit and loss account or otherwise available for distribution and (b) That such sum be accordingly set free for distribution in the manner specified in sub-clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in sub-clause (3) below, either in or towards: (a) Paying up any amounts for the time being unpaid on any shares held by such members respectively.	Capitalisation of profits

	(b) Paying up in full, un-issued shares of the Company to be allotted and distributed, credited as fully paid up, to and among such members in the proportion aforesaid or, (c) Partly in the way specified in (i) and partly in that specified in (ii) above. (3) A share premium account and a capital redemption reserve fund may, for the purposes of this Article, only be applied in the paying up of un-issued shares to be issued to members of the Company as fully paid bonus shares or for any other purpose specified in Section 78 of the Act. (4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.	
164.	(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall: (a) Make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares if any; and (b) Generally do all acts and things required to give effect thereto. (2) The Board shall have full power: (a) To make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares becoming distributable in fractions and, (b) To authorise any person to enter, on behalf of the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares. (3) Any agreement made under such authority shall be effective and binding on all such members.	Power of the Board to capitalize profits
DIVIDENDS		
165.	Subject to the rights of members entitled to a share (if any) with preferential or special rights attached thereto the profits of the Company which shall from time to time be determined to be divided in respect of any year or other period shall be applied in the payment of dividend on the Equity Shares of the Company, but so that the holder of a partly paid up share shall be only entitled to such proportion of the distribution upon a fully paid up share proportionately to the amount paid or credited thereon during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly. Where capital is paid in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.	Dividends in proportion to amount paid up
166.	The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles shall be divisible among the Members in the proportion of the amount of capital paid or credited as paid up on the shares held by them respectively.	Profits of the amount to be divided in proportion of the amount of capital paid
167.	The Company in Annual General Meeting may declare a dividend to be paid to the members according to their rights and interests in the profits and may, subject to the provisions of Section 207 of the Act, fix the time for payment.	Declaration of dividends

168.	No larger dividend shall be declared than that recommended by the Board, but the Company in general meeting may declare a smaller dividend.	No declaration of larger dividend than recommended
169.	No dividend shall be payable except out of profits of the Company or out of moneys provided by the Central or State Government for the payment of Dividend in pursuance of any guarantee given by such Government and no dividend shall carry interest against the Company.	Dividend to be paid out of the profits of money provided by Government
170.	The Directors, if in their opinion the position of the Company justifies, may from time to time, without the sanction of a general meeting pay interim dividend to one or more classes of shares to the exclusion of others at rates, which may be differing from class to class. When declaring such dividend they should satisfy themselves that the preference shares, which have a prior claim in respect of payment of dividend, should have their entire rated dividend at the time of final preparation of the accounts of the period.	Payment of interim dividend
171.	No members shall be entitled to receive payment of any dividend or interest in respect of his share or shares whilst any money be due or owing from him as is presently payable to the Company in respect of such share or shares otherwise on account of any debts, liabilities or engagements of the members of the Company either alone or jointly with any other person or persons and the Directors may deduct from the dividend or interest payable to any member all sums of money so due from him to the Company Subject to Section 205 A of the Act.	No member to receive dividend whilst indebted to the Company
172.	Any general meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may if so arranged between the Company and the member, be set of against the call Subject to Section 205 A of the Act. The making of a call under this Article shall be deemed ordinary business of an annual general ordinary meeting which declares dividend.	Calls on members
173.	A transfer of share shall not pass the right to any dividend declared thereto before the registration of the transfer by the Company.	Transfer of shares must be registered
174.	Subject to Section 205 A of the Act the Directors may retain the dividends payable upon shares in respect of which any person is under the Transmission Article entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect thereof or shall duly transfer the same.	Retention of dividend by Director until completion of transfer
175.	The Directors may retain any dividend on which the Company has lien and may apply the same in or towards satisfaction of the debts, liabilities or engagement in respect of which the lien exists subject to Section 205 A of the Act.	Retention of dividend on which Company has lien
176.	Anyone of several persons who are members registered jointly in respect of any share may give effectual receipts for all dividends, bonuses and other payments in respect of such shares.	Joint-members to give effectual receipts of payments
177.	Notice of any dividends, whether interim or otherwise, shall be given to the person entitled to share therein in the prescribed manner, if any.	Notice of dividend given to person entitled to share
178.	Unless otherwise directed in accordance with Section 206 of the Act, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto or in the case of joint holders to the registered address of that one whose name stands first on the register in respect of the joint holding or to such person and at such address as the member or person entitled or sub joint-holders as the case may be, direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent or to the order of such other person as the member or person entitled or such joint holders as the case may be, may direct.	Dividends how remitted
UNPAID OR UNCLAIMED DIVIDEND		

179.	Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days, open a special account in that behalf in any scheduled bank called “Unpaid Dividend of Indiabulls Securities Limited” and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.	Transfer of unpaid dividend to Unpaid Dividend of Indiabulls Securities Limited account
180.	Subject to the provisions of Section 205B of the Act any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund (“Fund”) and that no claim by any person to any money transferred to the Fund shall lie on or after the commencement of the Companies (Amendment) Act, 1999.	Amount in the unpaid dividend account for more than seven years to be transferred to Investor Education and Protection Fund
181.	No unclaimed or unpaid dividend shall be forfeited by the Board and all unclaimed and unpaid dividends shall be dealt with as per Section 205 A and 205 B of the Act and the rules made there under.	No forfeiture of unpaid dividend
182.	The Company shall not be responsible for the loss of any cheque, dividend warrant or postal order sent by post in respect of dividends, whether by request or otherwise, at the registered address or the address communicated to the office before hand by the member or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means.	Non-responsibility of the company for any loss
BOOKS AND DOCUMENTS		
183.	The Directors shall cause to be kept in accordance with Section 209 of Act, proper books of account with respect to: (a) All sums of money received and spent by the Company and the matters in respect of which the receipts and expenditures take place including the Profit & Loss Account and cash flow statement. (b) All sales and purchase of goods by the Company. (c) The Balance Sheet depicting the assets and liabilities of the Company.	Proper books of accounts to be maintained
184.	The books of accounts shall be kept at the Registered office or at such other place as the Board thinks fit and shall be open to inspection by the Directors during business hours.	Books to be kept at registered office
185.	The Directors shall from time to time, subject to the provisions of sections 163, 209 and 209 A of the Act, determine whether and to what extent and at what time and places and under what conditions, the documents and registers or any of them maintained by the Company of which inspection allowed by the Act, shall be kept open for the inspection of the members. Till decided otherwise by the Board, such documents and registers shall be kept open for inspection to the persons entitled thereto between 11 A.M. and 1 P.M. on all working days. No member (not being a Director) shall have any right to inspection of any account or book or document of the Company except as conferred by law or by Act or authorised by the Directors or by resolution of the Company in General Meeting and no member, not being a director shall be entitled to require or receive any information concerning the business, trading or customers of the Company or any trade secret or secret process used by the Company.	Inspection of accounts by members
AUDIT		
186.	Once at least in every year the books of accounts of the Company shall be examined and audited by one or more Auditor or Auditors.	Accounts to be audited
187.	The Company at each annual general meeting shall appoint an auditor or auditors to hold office until the next annual general meeting and their appointment, remuneration, rights and duties shall be regulated by sections 224 to 227 of the Act.	Appointment and qualification of auditor
188.	Where the Company has a branch office, the provision of section 228 of the Act shall apply.	

189.	All notices of and other communications relating to any General Meeting of the Company which any member of the Company is entitled to have been sent to him shall also be forwarded to the Auditor of the Company and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor.	Auditors to receive notice of certain meetings
190.	The Auditors' Report shall be read before the Company in Annual General Meeting and shall be open to inspection for any member of the Company.	Auditor's report to be read in AGM and open for inspection
191.	Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in Annual General Meeting shall be conclusive, in respect of transactions of the Company for the relevant year.	Account when audited and adopted to be conclusive
SERVICE OF NOTICE AND DOCUMENTS		
192.	The Company shall comply with the provisions of Section 53, 172 and 190 of the Act as to the service of notices.	Serving of notices
193.	The accidental omission to give notice to or the non-receipt of notice, by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.	Omission to give notice not to invalidate proceedings at a meeting
194.	Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share, shall be bound by every notice in respect of such share which previous to his name and address being entered in the register, shall have been duly given to the person from whom he derives his titles to such share.	Members bound by notice given to previous holders
195.	The Signature to any notice to be given by the Company may be written, printed or lithographed.	Signature of Company
196.	Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding such member then deceased and whether or not the Company has notice of his death, be deemed to have been duly served in respect of any share whether registered solely or jointly with other persons, until some other person be registered in his stead as the member in respect thereof and such service for all purposes of the Articles be deemed a sufficient service of such notice or document on his/her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such share.	Serving of documents to members
197.	Any notice required to be given by the Company to the members or any of them and not expressly provided for by these Articles or by the Act shall be sufficiently given if given by the advertisement.	Notice by advertisement
198.	Any notice required to be or which may be given by the advertisement shall be advertised once in vernacular newspapers circulating in the neighborhood of the registered office and once in English newspaper.	Advertisement to be printed in vernacular and English newspaper
199.	On any sale of the whole or any part of the undertaking of the Company, the Board or the Liquidators on a winding up may, if authorised by special resolution, accept fully paid or partly paid-up shares, debentures or securities of any other company, whether incorporated in India or not either then existing or to be formed for the purchase in the whole or in part of the property of the Company and the Board (if the profits of the Company permit) or the Liquidators (in winding up) may distribute such shares or securities or any other property of the company amongst the members without realisation or vest the same in trustees for them and any special resolution may provide for the distribution or appropriation of cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the member, contributors of the Company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall subject to the provisions of Section 395 of the Act be bound to accept as shall be bound by	Distribution of assets

	any valuation or distribution so authorised and waive all rights in relation thereto save only in case the Company is proposed to be or is in course of being wound up and subject to the provisions of Section 494 of the Act as are incapable of being varied or excluded by these Articles.	
WINDING UP		
200.	On winding up preference shares rank as regards capital in priority to equity shares to the extent of the paid up value of the said shares but to no other rights or participating in its assets.	Preference shares in priority to equity shares during winding up
201.	Subject to law of the land for the time being in force, if the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of said paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the shares held by them respectively, and if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of winding up then the excess shall be distributed amongst the members in proportion to the paid up capital at the commencement of the winding up held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions, if any.	Winding up
202.	(1) In the event of the Company being wound up the holders of preference share, if any, shall be entitled to have the surplus assets available for distribution amongst members as such applied in the first place in repayment to them the amount paid up on the preference shares held by them respectively and any arrears of dividend upto the commencement of the winding up, whether declared or not. If the surplus assets available as aforesaid shall be insufficient to repay the whole of the amount paid up on the preference shares and any arrears of dividend, such assets shall be distributed amongst the holders of preference shares so that the losses shall be borne by the holders of preference shares as nearly as may be in proportion to the capital paid up or which ought to have been paid up on the shares held by them at the commencement of the winding up and the arrears of Dividend as aforesaid. (2) The assets, if any, available for distribution after payment to the preference share holders as aforesaid shall be distributed amongst the holders of equity shares in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the shares in respect of which they were respectively registered. (3) The Article is to be without prejudice to the rights and privileges amongst the holders of preference shares of different series.	Winding up by preference shares holders
SECRECY CLAUSE		
203.	Subject to the provisions of the Act, every Director, Manager, Auditor, trustee, Member of the Committee, Officer, servant, agent, accountant or other person employed in the business of the Company shall if so required by the Board before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with the customers and the state of account with individuals and in matter relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any meeting or by a Court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	Declaration to observe strict secrecy
204.	No member or other person (not being a Director) shall be entitled to visit or inspect any works of the Company or to enter upon the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Board or subject to Article 201 require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of trade	No member or other person to visit or inspect the works of the Company if it is not

	secret mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will not be in the interest of the Company to communicate.	in the interest of the Company
INDEMNITY		
205.	Subject to Section 201 of the Act, Every Director, Manager, Secretary or Officer of the Company or any person (whether an officer of the Company or not) employed by the Company and any person appointed Auditor shall be indemnified out of the funds of the Company, against all bonafied liability incurred by him as such Director, Manager, Secretary, Officer, employee or Auditor in defending any bonafied proceedings, whether civil or criminal or in which judgment is given in his favour or in which he is acquitted, or in connection with any application under Section 633 of the Act in which relief if granted to him by the Court.	Company may indemnify

*****The Board of Directors of the Company pursuant to their meeting held on September 21, 2017 have proposed the deletion of existing Article 39 along with the following amendments to Article 18(b) and Article 38 of the Articles of Association, subject to the approval of the Shareholders at the EGM proposed to be held on October 23, 2017.

Article 18(b): such offer shall be made by a notice specifying the number of shares offered and limiting a time, as prescribed under the applicable laws, as would be in force, at the relevant point of time and the offer, if not accepted within such time, will be deemed to have been declined.

Article 38: The Board may, from time to time, subject to terms on which any shares may have been issued and subject to all applicable provisions, as prescribed under the applicable laws, make such call(s) upon the members in respect of all moneys unpaid on shares held by them respectively and each member shall pay the amount of every such call at the times and places, as may be determined by the Board. A call shall be deemed to have been made at the time when so authorised by the Board.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the contracts referred to in para (A) below have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer).

The contracts together with the documents referred to in para (B) below may be inspected at the Registered Office of our Company between 11.00 a.m. to 5.00 p.m. on any Working Day from the date of the Letter of Offer until the closure of the subscription list.

(A) Material Contracts

1. Issue Agreement dated September 28, 2017 between our Company and the Lead Manager to the Issue.

2. Registrar Agreement dated September 28, 2017 between our Company and the Registrar to the Issue.

3. Escrow Agreement dated [●] amongst our Company, the Lead Manager, Registrar to the Issue and the Banker(s) to the Issue.

(B) Material Documents

1. Memorandum and Articles of Association of our Company.

2. Certificate of incorporation dated June 9, 1995 issued by the RoC to our Company, in its former name, being GPF Securities Private Limited. .

3. Certificate of incorporation dated December 15, 1995 issued by the RoC to our Company consequent upon change of name to Orbis Securities Private Limited.

4. Fresh certificate of incorporation dated January 5, 2004 issued by the RoC to our Company consequent upon change of name to Orbis Securities Limited.

5. Fresh certificate of incorporation dated February 16, 2004 issued by the RoC to our Company consequent upon change of name to Indiabulls Securities Limited.

6. Fresh certificate of incorporation, dated March 12, 2015 issued by the RoC to our Company consequent upon change of name to Indiabulls Ventures Limited.

7. Resolution of our Board/ committee of the Board dated September 21, 2017 pursuant to section 62 of the Companies Act, 2013 authorising the Issue.

8. Resolution of our Board dated September 28, 2017 approving the Draft Letter of Offer.

9. Resolution of the board of directors of IVL Finance Limited in relation to the meeting held on September 14, 2017 for the purpose of seeking investments from our Company through issuance of the equity shares.

10. Resolution of the board of directors of Indiabulls Asset Reconstruction Company Limited in relation to the meeting held on September 20, 2017 for the purpose of seeking investments from our Company through issuance of the equity shares.

11. Consents of the Directors, Company Secretary and Compliance Officer, Lead Manager, legal advisor to the Company, legal advisor to the Lead Manager, Registrar to the Issue and bankers to the Company, to include their names in the Draft Letter of Offer to act in their respective capacities.

12. Annual reports of our Company for Fiscal 2017, 2016, 2015, 2014 and 2013.

13. Examination reports of the Auditors, dated September 28, 2017 on the Restated Financial Statements included in this Draft Letter of Offer.

14. Statement of Tax Benefits certificate dated September 28, 2017 from A. Sardana & Co, Chartered Accountants.

15. Consent of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants dated September 28, 2017 to be named as an "expert" under section 2(38) of the Companies Act, in relation to their report dated September 28, 2017in relation to the Restated Financial Statements.

16. Consent of A Sardana & Co., Chartered Accountants dated September 28, 2017 to be named as an "expert" under section 2(38) of the Companies Act.

17. ESOP 2008 dated January 24, 2009.

18. ESOP 2009 dated December 1, 2009.

19. Board resolution dated April 1, 2014 and shareholders resolution dated September 29, 2014 in relation to appointment of Divyesh Shah as Executive Director of our Company.

20. Board resolution dated August 28, 2017 in relation to appointment of Pinank Jayant Shah as Executive Director (Additional) of our Company.

21. Tripartite Agreement dated January 8, 2008 between our Company, National Securities Depository Limited and the Registrar to the Issue.

22. Tripartite Agreement dated January 11, 2008 between our Company, Central Depository Services (India) Limited and the Registrar to the Issue.

23. Due Diligence Certificate dated September 28, 2017 addressed to SEBI from the Lead Manager.

24. In-principle listing approvals dated [●] and [●] from the BSE and the NSE, respectively.

25. Observation letter no. [●] dated [●] received from SEBI.

26. Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time, if so required, in our interest or if required by the other parties, without reference to the Eligible Equity Shareholders, subject to compliance with applicable law.

DECLARATION

We hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the Securities Contracts (Regulation) Act, the SEBI Act, each as amended or the rules made thereunder or regulations issued thereunder, as the case may be. We further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY ALL THE DIRECTORS OF OUR COMPANY

Name	Signature
Sameer Gehlaut *Chairman and Non-executive Director (Additional)*	
Divyesh Shah *Executive Director and Chief Executive Officer*	
Gagan Banga *Non-executive Director (Additional)*	
Pinank Jayant Shah *Executive Director (Additional)*	
Labh Singh Sitara *Independent Director*	
Vijayalakshmi Rajaram Iyer *Independent Director (Additional)*	
Shyam Lal Bansal *Independent Director (Additional)*	
Alok Kumar Misra *Independent Director (Additional)*	

Date: September 28, 2017
Place: Mumbai

Mr. Rajeev Lochan Agarwal
Chief Financial Officer