

The cover features a central green diamond shape containing the title. Surrounding this are several triangular photo cutouts: a blue line graph with an upward arrow, a construction crane at a building site, a hand holding a smartphone over a calculator, and a night cityscape with light trails.

ANNUAL REPORT

2014 - 2015

**INDIABULLS
WHOLESALE
SERVICES
LIMITED**

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Company Information

Board of Directors

Col. Surinder Singh Kadyan (Retd.)
Mr. Mehul Johnson
Ms. Pia Johnson
Mr. Shamsher Singh Ahlawat
Mr. Joginder Singh Kataria
Mr. Rajinder Singh Nandal

Company Secretary

Ms. Priya Jain

Chief Financial Officer

Mr. Saurabh Garg

Statutory Auditors

M/s Agarwal Prakash & Co.
Chartered Accountants
508, Indra Prakash,
21, Barakhamba Road,
New Delhi - 110 001

Internal Auditors

MRKS and Associates
Chartered Accountants
610, Best Sky Towers,
Netaji Subhash Place,
Pitampura, New Delhi-110034

Registrar and Transfer Agent

Karvy Computershare Private Limited
Karvy Selenium, Tower B,
Plot No. 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad - 500 032

Registered Office

M – 62 & 63, First Floor,
Connaught Place,
New Delhi – 110 001
CIN: L51101DL2007PLC166209
Website: www.indiabulls.com/wholesale
E-mail: helpdesk@indiabulls.com
Tel: 0124-6681199, Fax: 0124-6681240

Corporate Offices

“Indiabulls House” 448-451,
Udyog Vihar, Phase V,
Gurgaon – 122 016

Indiabulls Finance Center,
Tower 1, Elphinstone Mills,
Senapati Bapat Marg,
Elphinstone Road, Mumbai - 400 013
Maharashtra

Bankers

HDFC Bank Limited
State Bank of India
IDBI Bank Limited
Yes Bank Limited
Axis Bank Limited

Management Discussion and Analysis



Economic and Industry Overview

Over the past decade, the Indian economy has passed through phases of growth and slowdown. The macroeconomic situation in India has improved significantly during last financial year. The new government has already indicated its desire to revive the investment cycle and to empower the bureaucracy to ensure successful execution of the government's plans. The Indian economy in 2013-14 has emerged as one of the largest economy with a promising outlook on the back of the controlled inflation, rise in domestic demand, increase in investments, decline in oil prices and reforms among others. Growth is forecast to accelerate to over 8 percent in 2015 and 2016, benefiting from the acceleration of infrastructure projects, strong consumer spending due to lower inflation and monetary easing and gradual improvements in market sentiments. The reformation of public distribution system and upliftment of Tier II cities with a well developed civic infrastructure will boost the economy.

Business Overview

The Company, directly and through its subsidiaries, is engaged in the businesses of real estate development, providing services of property and facility management, charter business of aircraft, and renting of plant and machinery. Your directors believe that all of these businesses have huge potential & scope for further business development.

Business Outlook, Strengths & Strategy

The Company aims to build a stable, secure and sustainable business that is focused on maximizing growth opportunities within the industry. The Company believes that following are its key strengths that provide competitive advantages in managing its business activities:

- (a) presence of dynamic leadership,
- (b) professional management team,
- (c) robust systems and process, and
- (d) competitive bargaining approach.

The Company's strategy for long term profitable growth is based on continuously scaling its various businesses in India, while investing in new markets and industries.

Opportunities

There is huge growth potential with opportunities existing in multiple sectors and segments in the Industry segment in which the Company is carrying on its business operations. The Company believes that following are the key growth drivers that exist in the current market for various business operations and business opportunities for the Company:

- (a) highly attractive demographics,
- (b) changes in consumer behavior,
- (c) encouraging FDI regulations,
- (d) technological advances,
- (e) electronic media, and
- (f) favorable government policies to boost commerce and trade.

Threats / Risks & Concerns

The Government policies and reforms, if any, in the businesses in which your Company is engaged, can impact its business growth. Further, increased competition in these businesses may also adversely affect its operation. However,

Management Discussion and Analysis (contd.)

your directors firmly believe that skilled professionally managed team, strong systems and process, competitive bargaining approach put your Company at advantageous position to face any such regulatory reforms and manage its businesses efficiently.

Human Resources

Your Company firmly believes that its employees are the key to driving performance and developing competitive advantage. The emphasis has been on proper recruitment of talent and empowerment while devoting resources for their continuous development. The structured recruitment process, which the Company employs, focuses on recruiting people who have the right mindset for working, supported by structured training programmes and internal growth opportunities. The basic objective has been to unlock the people potential and further developing their functional operational and behavioural competencies so as to build a team of dedicated employees who work with passion, zeal and a sense of belongingness and play a defining role in the overall growth and transformation of the Company. It is in continuation of this process that the Company has in place, Employee Stock Option Scheme which aim at rewarding and nurturing talent so that the Company gets to retain what is best in the industry.

Internal Controls and their Adequacy

The Company has a proper and adequate system of internal controls commensurate with the size of the Company and the nature of its business to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition, and that transactions are authorized, recorded and reported correctly and adequately.

The Company's internal controls are supplemented by internal audits, review by management and documented policies, guidelines and procedures. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and for maintaining accountability of assets. All financial and audit control systems are also reviewed by the Audit Committee of the Board of Directors of the Company.

Cautionary Statement

Statements in this Report on Management's Discussion and Analysis describing the Company's objectives, estimates and expectations may be forward looking statements based on certain assumptions and expectations of future events. Actual results might differ substantially or materially from those expressed or implied.

The Company cannot guarantee that the assumptions and expectations are accurate or will be realized and hence the actual results, performance or achievements could thus differ materially from those expressed in the statements. The Company assumes no responsibility nor is under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

Directors' Report

Dear Shareholders,

Your Directors present to you the Eighth Annual Report together with audited statement of accounts for the financial year ended March 31, 2015.

FINANCIAL RESULTS

The highlights of the standalone financial results of the Company for the financial year ended March 31, 2015 are as under:

Particulars	Amount in ₹	
	For the Year ended March 31, 2015	For the Year ended March 31, 2014
Profit before Tax and Depreciation	178,403,902	77,542,267
Less: Depreciation and amortization expense	2,016,984	2,332,028
Profit before Tax	176,386,918	75,210,239
Less: Provision for Tax	42,684,699	27,287,494
Profit after Tax	133,702,219	47,922,745
Profit/ (Loss) brought forward	66,234,839	20,824,738
Less: Adjustments due to depreciation*	1,675,453	—
Amount available for appropriation	198,261,605	68,747,483
Less: Appropriations:		
Proposed dividend on preference shares	2,265,930	2,265,930
Corporate dividend tax thereon	161,168	106,014
Interim dividend on equity shares	—	140,700
Corporate dividend tax thereon	—	—
Transfer to general reserve	—	—
Balance carried forward to Balance Sheet	195,834,507	66,234,839

* Impact of transitional provision provided in Note 7(b) of Schedule II of Companies Act 2013.

OPERATIONS AND BUSINESS REVIEW

The total income of the Company during the year was ₹ 5,311.82 lacs with a profit after tax of ₹ 1,337.02 lacs. The consolidated revenue of the Company was ₹ 20,834.78 lacs with a profit after tax of ₹ 1,783.72 lacs. The Company, directly and through its subsidiaries, is engaged in the businesses of real estate development, providing services of property and facility management, charter business of aircraft, and renting of plant and machinery. Your directors believe that all of these businesses have huge potential & scope for further business development.

DIVIDEND

In order to utilize the profits for future business requirements of the Company, your Directors do not recommend any dividend.

DIRECTORS & KEY MANAGERIAL PERSONNEL

To achieve the highest standards of Corporate Governance in its management, during the financial year 2014-15, the Board of Directors of the Company (Board) was re-constituted with appointment of Ms. Pia Johnson, as non -executive woman director and appointments of Mr. Shamsher Singh Ahlawat, Mr. Joginder Singh Kataria and Mr. Rajinder Singh Nandal, as independent directors.

Directors' Report (contd.)

All the present Independent Directors of the Company have given declaration that they meet the criteria of independence laid down under Section 149 (6) of the Act and Clause 49 of the Listing Agreement.

Further, during the year, Mr. Karan Singh Khera, Independent Director, ceased to be director of the Company. The Board has placed on record its appreciation for the contributions made by him, during his tenure of office.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Mehul Johnson (DIN: 00016075), Director, retire by rotation and, being eligible, offers himself for reappointment at the ensuing Annual General Meeting. The Board of Directors recommends his re-appointment.

Ms. Pia Johnson, being an Additional Director of the Company, holds office as such, upto the date of ensuing Annual General Meeting. The Company has received a notice along with a deposit in terms of Section 160 of the Companies Act, 2013, from a member, proposing the candidature of Ms. Pia Johnson for the office of Director of the Company. The Board recommends her appointment.

The present composition of the Board along with the brief resume of the Directors proposed to be appointed / reappointed, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, are provided in the Report on Corporate Governance forming part of this Annual Report.

During the year under review, Mr. Saurabh Garg was appointed as CFO - a key managerial person of the Company, in accordance with the provisions of the Companies Act, 2013, with effect from April 23, 2014.

EMPLOYEES STOCK OPTIONS

The disclosures required to be made in the Directors' Report, in terms of SEBI (Employee Stock Option Scheme and Stock Purchase Scheme) Guidelines, 1999, in respect of company's ESOP Scheme titled 'Indiabulls Wholesale Services Limited Employee Stock Option Scheme- 2011' are set out in the Annexure 1, forming part of this report.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits from the public, falling within the ambit of Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

LISTING WITH STOCK EXCHANGES

The Equity Shares (ISIN: INE 126M01010) of the Company, continue to remain listed at BSE Limited and National Stock Exchange of India Limited. The listing fees payable to both the exchanges for the financial year 2015-16 have been paid.

AUDITORS

(a) Statutory Auditors

M/s Agarwal Prakash & Co. (Firm Registration No. 005975N), the Statutory Auditors of the Company were appointed by the members in their Seventh Annual General Meeting, held on September 26, 2014, for a period of five years i.e. until the conclusion of the Twelfth Annual General Meeting of the Company. The Company has received a certificate from the Auditors to the effect that their continuation as such from the conclusion of this Annual General Meeting until the conclusion of Ninth Annual General Meeting is in accordance with the provisions of the Section 141(3)(g) of the Companies Act, 2013. The Board recommends the ratification of the appointment of M/s Agarwal Prakash & Co., as Statutory Auditors of the Company till the conclusion of Ninth Annual General Meeting of the Company.

The Auditors' Report is self-explanatory and therefore do not call for any further explanation.

(b) Secretarial Auditor & Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with the rules made thereunder, the Company has appointed Mr. B.D. Tapiya, a practicing Company Secretary as its Secretarial Auditor, to conduct the secretarial audit of the Company, for the Financial Year 2014-15. The Company has provided all assistance, facilities, documents, records and clarifications etc. to the Secretarial Auditor for conducting said audit. The Report of Secretarial Auditor for the

Financial Year 2014-15, is annexed as Annexure 2, forming part of this Report. The Report is self-explanatory and therefore do not call for any further explanation.

CORPORATE SOCIAL RESPONSIBILITY

As part of its initiatives under "Corporate Social Responsibility (CSR)", the Company has undertaken projects in the areas of Education and Rural Development, as per its CSR Policy (available on your Company's website www.indiabulls.com/wholesale) and the details are contained in the Annual Report on CSR Activities given in Annexure 3, forming part of this Report. These projects are in accordance with Schedule VII of the Companies Act, 2013, read with the relevant rules.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management's Discussion and Analysis Report, for the year under review, is presented in a separate section forming part of this Annual Report.

CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on Corporate Governance practices followed by the Company, together with a certificate from a Practicing Company Secretary confirming compliance, is presented in a separate section forming part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) that in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company, as at March 31, 2015 and the profit and loss of the company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that such financial controls were adequate and were operating effectively; and
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

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

The information required to be disclosed pursuant to Section 134 and Section 197 of the Companies Act, 2013, read with the relevant rules (to the extent applicable) and Listing Agreement, not elsewhere mentioned in this Report, are given in Annexure A, forming part of this Report.

GREEN INITIATIVES

Electronic copies of the Annual Report 2015 and Notice of the Eighth AGM will be sent to all the members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2015 and Notice of the Eighth AGM will be sent in the permitted mode.

Directors' Report (contd.)

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice of the Eighth AGM. This is pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by Companies (Management and Administration) Amendment Rules, 2015, and Clause 35B of the Listing Agreement. The instructions for e-voting are provided in the AGM Notice.

ACKNOWLEDGEMENT

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functional areas and the efficient utilization of all its resources for sustainable and profitable growth. Your Directors wish to place on record their appreciation of the contributions made and committed services rendered by the employees of the Company at various levels. Your Directors also wish to express their gratitude for the continuous assistance and support received from the investors, clients, bankers, regulatory and government authorities, during the year.

For and on behalf of the Board of Directors

Date: August 28, 2015
Place : New Delhi

Surinder Singh Kadyan
Executive Director
(DIN: 03495880)

Mehul Johnson
Director
(DIN: 00016075)

Annexure to the Directors' Report



ANNEXURE A

EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return, as on the financial year ended March 31, 2015, pursuant to Section 92(3) of the Companies Act, 2013, in form MGT-9, are given in Annexure 4, forming part of this Report.

BOARD MEETINGS

During the FY 2014-15, 11 (Eleven) Board Meetings were convened and held. The details of such meetings are given in Corporate Governance Report forming part of this Annual Report. The intervening gap between these meetings was within the period prescribed under the Companies Act, 2013. The notice and agenda including all material information required to be made available to the Board were circulated to all directors, well within the prescribed time, before the meeting or were placed at the meeting. During the year, separate meeting of the Independent Directors was held on March 24, 2015, without the presence of Non-Independent Directors and the members of the Company Management.

BOARD EVALUATION

Pursuant to the applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its performance, the directors individually as well as the working of its Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report forming part of this Annual Report.

REMUNERATION POLICY

The Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report forming part of this Annual Report.

LOANS, GUARANTEES OR INVESTMENTS

During the FY 2014-15, in terms of the provisions of Section 186 (1) of the Companies Act, 2013, the Company did not make any investments through more than two layers of investment companies.

The details of the loans, guarantees or investments made by Company are given in the notes to the financial statements.

RELATED PARTY TRANSACTIONS

During the year, no materially significant related party transaction was entered by the Company with its Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large. The Policy on materiality of Related Party Transactions and also on dealing with such transactions is available on the website of the Company: www.indiabulls.com/wholesale.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an elaborate system of internal controls commensurate with the size, scale and complexity of its operations; it also covers areas like financial reporting, fraud control, compliance with applicable laws and regulations etc. Regular internal audits are conducted to check and to ensure that responsibilities are discharged effectively. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with regulatory directives, efficacy of its operating systems, adherence to the accounting procedures and policies at all branch offices of the Company and its subsidiaries. Wherever required, the internal audit efforts are supplemented by audits conducted by specialized consultants/audit firms. Based on the report of the Internal Auditors, process owners undertake corrective actions, in their respective areas and thereby strengthen the controls.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments, affecting the financial position of the Company, which has occurred between the end of the Financial Year of the Company i.e. March 31, 2015 and the date of this Report.

Further, no significant and material orders were passed by the regulators or courts or tribunals, impacting the going concern status and Company's operations in future.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo, is as under:

Annexure to the Directors' Report (contd.)

A. Conservation of Energy

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

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

B. Technology Absorption

The Company is investing in cutting edge technologies to upgrade its infrastructure set up and innovative technical solutions, thereby increasing customer delight & employee efficiency. Next Generation Business Intelligence & analytics tool have been implemented to ensure that while data continues to grow, decision makers gets answers faster than ever for timely & critical level decision making. The Company has implemented best of the breed applications to manage and automate its business processes to achieve higher efficiency, data integrity and data security. It has helped it in implementing best business practices and shorter time to market new schemes, products and customer services. The Company has taken major initiatives for improved employee experience and efficient Human resource management, by implementing world class HRMS application and empowering them by providing mobile platform to manage their work while on the go.

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

C. Foreign Exchange Earnings and Outgo

There was no outgo in foreign exchange during the year under review and the previous year. However, detail of earning in foreign exchange in the previous year is as under:

(Amount in ₹)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Customer Collections	—	591,566

BUSINESS RISK MANAGEMENT

Pursuant to the applicable provisions of the Companies Act, 2013, the Company has formulated robust business Risk Management framework to identify and evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on its business objectives and enhance its competitive advantage. It defines the risk management approach across the Company and its subsidiaries at various levels including the documentation and reporting. At present, the Company has not identified any element of risk which may threaten its existence. The requirement of constituting Risk Management Committee in terms of Clause 49 of the Listing Agreement is not applicable to the Company.

PARTICULARS OF EMPLOYEES

Pursuant to the applicable provisions of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures on Managerial Remuneration are provided in Annexure 5, forming part of this Report.

There were no employees of the Company, employed by the Company throughout the year or part thereof, information in respect of which is required to be made in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

FAMILIARISATION PROGRAMME FOR NON-EXECUTIVE DIRECTORS

Non-Executive Directors are familiarised with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through presentations about the Company's strategy, business model, product and service offerings, customers' & shareholders' profile, financial details, human resources, technology, facilities, internal

controls and risk management, their roles, rights and responsibilities in the Company. The Board is also periodically briefed on the various changes, if any, in the regulations governing the conduct of non-executive directors including independent directors. The details of the familiarization programmes have been hosted on the website of the company and can be accessed on the link: http://www.indiabulls.com/wholesale/pdf/IBWSL_Familiarisation_Programme.pdf

SUBSIDIARY COMPANIES

Pursuant to Section 129 of the Companies Act, 2013, the Company has prepared its Consolidated Financial Statement along with all its subsidiaries, in the same form and manner, as that of the Company, which shall be laid before its ensuing Eighth Annual General Meeting along with its Standalone Financial Statement. The Consolidated Financial Statements of the Company along with its subsidiaries, for the year ended March 31, 2015, form part of this Annual Report.

For the performance and financial position of each of the subsidiaries of the Company along with other related information required pursuant to Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014, the Members are requested to refer to the statement given at the end of the Financial Statements of the Company.

COMMITTEES OF THE BOARD

The Company has following Board constituted committees which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes:

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders Relationship Committee
- d) Corporate Social Responsibility Committee

The details with respect to composition, power, role, terms of reference, etc. of each of these committees are given in the Corporate Governance Report forming part of this Annual Report.

Apart from the above, the Board has also constituted Compensation Committee for administration of stock option scheme(s).

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

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

During the financial year 2014-15, no case of sexual harassment was reported.

VIGIL MECHANISM

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

Annexure to the Directors' Report (contd.)

ANNEXURE 1

Indiabulls Wholesale Services Limited Employee Stock Option Scheme- 2011 – As at March 31, 2015

Particulars	
a. Options Granted	4,097,000
b. Exercise price	Refer Note 25 forming part of Notes to Standalone Financial Statements
c. Options vested during the year	Refer Note 25 forming part of Notes to Standalone Financial Statements
d. Options exercised during the year	Refer Note 25 forming part of Notes to Standalone Financial Statements
e. The total number of Shares arising as a result of exercise of option during the year	156,700
f. Options lapsed	3,018,600
g. Variation in terms of options	Nil
h. Money realized by exercise of options during the year	₹ 1,339,096/-
i. Total number of options in force	Nil (During the year ended March 31, 2015, all the outstanding options of the Company under this Scheme, have lapsed and accordingly all outstanding options were terminated and cancelled)
j. Employee wise details of options granted to: <ul style="list-style-type: none"> i. Senior Management personnel ii. any other employee who received a grant in any one year of option amounting to 5% or more of option granted during that year iii. identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital of the Company. 	Nil
k. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 ['Earnings Per Share']	₹ 2.57
l. 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 recognized 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 also be disclosed.	Refer Note 25 forming part of Notes to Standalone Financial Statements
m. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Refer Note 25 forming part of Notes to Standalone Financial Statements

<p>n. A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:</p> <ul style="list-style-type: none">i. risk free interest rateii. expected lifeiii. expected volatilityiv. expected dividends yieldv. the price of the underlying share in market at the time of option grant	<p>Refer Note 25 forming part of Notes to Standalone Financial Statements</p>
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Annexure to the Directors' Report (contd.)

ANNEXURE 2

SECRETARIAL AUDIT REPORT

For the Financial Year ended on March 31, 2015

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

To,
The Members
Indiabulls Wholesale Services Limited (the Company)
M-62 & 63, First Floor,
Connaught Place,
New Delhi – 110 001

I have conducted, the Secretarial Audit of compliance of applicable statutory provisions and adherence to good corporate practices, by the Company. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and accordingly expressing my opinion thereupon.

Based on my verification of books, papers, minutes books, forms and returns filed and other records maintained by Indiabulls Wholesale Services Limited (**hereinafter referred as 'Company'**) and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company, has during the audit period covering the financial year ended on 31.03.2015 complied with various Statutory provisions listed hereunder and also that the Company has proper Board – Processes and compliance – mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the Year ended 31.03.2015 according to the provisions of the following, to the extent these are applicable :-

- (i) The Companies Act, 1956 and Companies Act, 2013 (to the extent applicable) and Rules made there under and various allied acts warranting compliance primarily originating on account of action taken/initiated under Companies Act itself;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder ;
- (iii) The Depositories Act, 1996 and the Regulations and Bye – Laws framed thereunder ;
- (iv) The provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2009
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

I have also examined compliance with the applicable clauses of the Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited, Stock Exchanges.

However, since the Secretarial Standards issued by the Institute of Company Secretaries of India have not become mandatory during the period under review, I have not examined the compliances of Secretarial Standards.

During the period under review the Company has been regular in complying with various applicable provisions of the Act, rules, regulations, Guidelines and Standards etc. which are subject matter of present Audit Report, stated hereinabove.

It is further reported that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non – Executive Directors, Woman Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has not carried out any major strategic action warranting compliance of specific/special nature, except transactions (originating either on Company's action or otherwise) as hereunder :

- a. The earlier Promoters of Indiabulls Group had agreed to restructure their inter-se roles and to re-organize the management control of different group companies amongst themselves, pursuant to which Mr. Sameer Gehlaut and the entities promoted by him, have continued as Promoters / Promoter Group / PACs with the promoters of the Company. Further, with effect from July 18, 2014, Mr. Rajiv Rattan, Mr. Saurabh Kumar Mittal and the entities promoted by them, have ceased to be the Promoters / Promoter Group / PACs with the promoters of the Company.
- b. During the year, the Board of Directors of the Company (Board) was re-constituted, from time to time, with the appointments of Mr. Joginder Singh Kataria and Mr. Rajinder Singh Nandal as Independent Directors of the Company and the appointment of Ms. Pia Johnson, as non-executive Woman Director of the Company and cessation of Mr. Karan Singh Khera.
- c. Shareholders have accorded their approval, pursuant to the provisions of Section 180(1)(a) and 180(1)(c) of the Companies Act, 2013, for the Company to borrow monies and to create security on the borrowings, from time to time.
- d. The Company had allotted 1,56,700 equity shares of face value ₹ 2/- each to certain eligible employees, against their exercise of equivalent number of stock options under the ESOP Scheme of the Company.

Place : New Delhi
Date : July 7, 2015

B. D. TAPRIYA
Company Secretary
C.P. No.: 2059
FCS No.: 1416

Disclaimer: This is Secretarial Audit as required to be carried out pursuant to provisions of Section 204 of the Companies Act, 2013, read with applicable rules, and has been carried out accordingly, hence must be construed and interpreted accordingly.

Annexure to the Directors' Report (contd.)

ANNEXURE 3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

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

CSR Policy is as posted at the below web-link:

http://www.indiabulls.com/wholesale/pdf/CSR_Policy_IBWSL.pdf

- Composition of the CSR Committee**

Mr. Shamsheer Singh Ahlawat, Chairman (Independent Director)

Col. (Retd.) Surinder Singh Kadyan, Member (Executive Director)

Mr. Mehul Johnson, Member (Non-executive Director)

- Average Net Profit of the Company for last three financial years: ₹ 2.92 crores**

- Prescribed CSR expenditure (two percent of the amount as in item 3 above): ₹ 6.00 lacs (rounded off)**

- Details of CSR expenditure for the financial year 2014-15:**

a. Total amount spent for the financial year: ₹ 6.00 lacs

b. Amount unspent, if any: Nil

c. Manner in which the amount spent during the financial year is detailed below: (Amount in ₹)

1	2	3	4		5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or Programs		Amount outlay (budget) projects or programs-wise	Amount spent on projects or programs Sub Heads:	Cumulative expenditure up to 31st March, 2015	Amount spent directly or through implementing agency
			District	State				
1	Distribution of Computer Sets	Education	Thane	Maharashtra	600,000	-	-	Implementing Agency (Indiabulls Foundation)
			Raigad					
	TOTAL				600,000	-	-	

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

During the financial year 2014-15, the Company has contributed its entire CSR expenditure aggregating to Rs. 6.00 lacs to the corpus of Indiabulls Foundation, for undertaking CSR projects, on its behalf.

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

The Company understands that for it to continue to prosper over the long term, the community, environment and society at large must also prosper. During the financial year 2014-15, the implementation and monitoring of CSR Policy of the Company were environmental friendly and in compliance with the applicable laws, CSR objectives and Policy of the Company.

For Indiabulls Wholesale Services Limited

Date: August 28, 2015

Place : New Delhi

Surinder Singh Kadyan

Executive Director

(DIN: 03495880)

Shamsheer Singh Ahlawat

Chairman – CSR Committee

(DIN: 00017480)

ANNEXURE 4

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2015

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L51101DL2007PLC166209
ii	Registration Date (Date of Incorporation)	24-July-2007
iii	Name of the Company	Indiabulls Wholesale Services Limited
iv	Category/Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	M - 62 & 63, First Floor, Connaught Place, New Delhi 110001 Tel: (011) 30252900 Fax: (011) 30252901
vi	Whether listed company	Yes
vii	Name, Address & contact details of Registrar & Transfer Agent, if any	Karvy Computershare Private Limited Unit: Indiabulls Wholesale Services Limited Karvy Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032 Tel : 040-67162222, Fax: 040-23001153 E-mail: einward.ris@karvy.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name & Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Development of Real Estate Projects	70105	70.03%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Store One Retail India Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	L52190DL2005PLC181536	Subsidiary	73.85	Section 2(87) of Companies Act, 2013
2	Lucina Infrastructure Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U70109DL2006PLC151156	Subsidiary	100.00	Section 2(87) of Companies Act, 2013
3	Sentia Properties Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U45400DL2007PLC169097	Subsidiary	100.00	Section 2(87) of Companies Act, 2013
4	Albasta Wholesale Services Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U51101DL2008PLC177216	Subsidiary	100.00	Section 2(87) of Companies Act, 2013
5	Mahabala Infracon Private Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U70102DL2014PTC272579	Subsidiary	100.00	Section 2(87) of Companies Act, 2013
6	Airmid Aviation Services Limited M - 62 & 63 First Floor, Connaught Place, New Delhi 110001	U62200DL2007PLC166080	Subsidiary	100.00	Section 2(87) of Companies Act, 2013

Annexure to the Directors' Report (contd.)

IV (i) Shareholding Pattern (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/HUF	300,000	0	300,000	0.59	150,000	0	150,000	0.29	-0.30
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	21,142,829	0	21,142,829	41.82	15,296,175	0	15,296,175	30.16	-11.66
e) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL:(A) (1)	21,442,829	0	21,442,829	42.41	15,446,175	0	15,446,175	30.45	-11.96
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	21,442,829	0	21,442,829	42.41	15,446,175	0	15,446,175	30.45	-11.96
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	86	0	86	0.00	86	0	86	0.00	0.00
c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d) State Government	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	601,168	0	601,168	1.19	130,527	0	130,527	0.26	-0.93
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
i) Others (specify)	0	0	0	0	0	0	0	0	0.00
SUB TOTAL (B)(1):	601,254	0	601,254	1.19	130,613	0	130,613	0.26	-0.93

Annexure to the Directors' Report (contd.)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
(2) Non Institutions									
a) Bodies Corporate									
i) Indian	5,199,873	0	5,199,873	10.28	6,147,929	0	6,147,929	12.12	1.84
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakhs	8,338,311	8,819	8,347,130	16.51	14,216,939	5244	14,222,183	28.04	11.53
ii) Individuals shareholders holding nominal share capital in excess of ₹1 lakhs	13,161,097	0	1,3161,097	26.03	12,700,731	0	12,700,731	25.04	-0.99
c) Others (specify)									
i) Non-Resident Indians	1,321,161	125,701	1,446,862	2.86	1,752,813	125,701	1,878,514	3.70	0.84
ii) Foreign Nationals	26,000	65,000	91,000	0.18	34,000	65,000	99,000	0.20	0.02
iii) Clearing Members	271,748	0	271,748	0.54	69,113	0	69,113	0.14	-0.40
iv) Foreign Portfolio Investors	0	0	0	0.00	24,235	0	24,235	0.05	0.05
SUB TOTAL (B)(2):	28,318,190	199,520	28,517,710	56.40	34,945,760	195,945	35,141,705	69.29	12.89
Total Public Shareholding (B) = (B)(1)+(B)(2)	28,919,444	199,520	29,118,964	57.59	35,076,373	195,945	35,272,318	69.55	11.96
C. Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter group	0	0	0	0.00	0	0	0	0	0.00
Public	0	0	0	0.00	0	0	0	0	0.00
Grand Total (A+B+C)	50,362,273	199,520	50,561,793	100.00	50,522,548	195,945	50,718,493	100.00	0.00

Annexure to the Directors' Report (contd.)

(ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Sameer Gehlaut	150,000	0.29	0.00	150,000	0.29	0.00	0.00
2	Saurabh Kumar Mittal*	75,000	0.15	0.00	*			
3	Rajiv Rattan*	75,000	0.15	0.00	*			
4	Kritikka Infrastructure Private Limited	6,965,763	13.78	0.00	6,965,763	13.73	0.00	-0.05
5	Jyestha Infrastructure Private Limited	3,330,412	6.59	0.00	8,330,412	16.43	0.00	9.84
6	Yantra Energetics Private Limited*	4,633,144	9.16	0.00	*			
7	Gragerious Projects Private Limited*	5,089,982	10.07	0.00	*			
8	Punarvasu Builders And Developers Private Limited*	1,123,528	2.22	0.00	*			
	TOTAL	21,442,829	42.41	0.00	15,446,175	30.45	0.00	-11.96

*To impart greater focus and undivided accountability at the leadership level and to rationalize operations of the diverse businesses of the Indiabulls group, so as to put the Company firmly on the growth path, the promoters, during the year under review, had mutually decided to reorganize the management control of different group companies amongst themselves. As part of the restructuring, Mr. Sameer Gehlaut, and the entities promoted by him, namely, Kritikka Infrastructure Private Limited, Jyestha Infrastructure Private Limited, Powerscreen Media Private Limited, Karanbhumi Estates Private Limited, Meru Minerals Private Limited, Calleis Real Estate Private Limited, Calleis Constructions Private Limited, Calleis Properties Private Limited, Dahlia Infrastructure Private Limited and Galax Minerals Private Limited have continued as Promoters / Promoter Group / PACs with the promoters of the Company.

Further, with effect from July 18, 2014, Mr. Rajiv Rattan and the entities promoted by him, namely, Yantra Energetics Private Limited, Spire Constructions Private Limited, Laurel Energetics Private Limited, Nettle Constructions Private Limited, Antheia Infrastructure Private Limited and Antheia Properties Private Limited and Mr. Saurabh Kumar Mittal and the entities promoted by him, namely, Gragerious Projects Private Limited, Punarvasu Builders and Developers Private Limited, Ceres Trading Services Private Limited, Daisy Projects Private Limited, Lucerne Trading Services Private Limited, Cleta Infrastructure Private Limited and Cleta Constructions Private Limited, have ceased to be the Promoters / Promoter Group / PACs with the promoters of the Company.

(iii) Change in Promoters' Shareholding (specify if there is no change)

	Shareholding		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	21,442,829	42.41		
Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) [#]				
At the end of the year	15,446,175	30.45		

[#] Date wise increase/decrease in Promoters Shareholding

Sl. No.	Name	Shareholding			Date wise Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		Date [beginning of the year (01-Apr-2014)/end of the year (31-Mar-2015)]	No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company
1	Sameer Gehlaut	01-Apr-2014	150,000	0.29				
		31-Mar-2015	150,000	0.29			150,000	0.29
2	Kritikka Infrastructure Private Limited	01-Apr-2014	6,965,763	13.78				
		31-Mar-2015	6,965,763	13.73			6,965,763	13.73
3	Jyestha Infrastructure Private Limited	01-Apr-2014	3,330,412	6.59				
					9-July-2014 4,045,061 (Increase)	Inter-se transfer amongst Promoter group	7,375,473	14.59
					10-July-2014 678,891 (Increase)	Inter-se transfer amongst Promoter group	8,054,364	15.93
					11-July-2014 276,048 (Increase)	Inter-se transfer amongst Promoter group	8,330,412	16.48
		31-Mar-2015	8,330,412	16.43			8,330,412	16.43
4	Rajiv Rattan*	01-Apr-2014	75,000	0.15		N.A.		
		31-Mar-2015	N.A.					
5	Saurabh Kumar Mittal *	01-Apr-2014	75,000	0.15		N.A.		
		31-Mar-2015	N.A.					
6	Yantra Energetics Private Limited*	01-Apr-2014	4,633,144	9.16		N.A.		
		31-Mar-2015	N.A.					
7	Gragerious Projects Private Limited*	01-Apr-2014	5,089,982	10.07		N.A.		
		31-Mar-2015	N.A.					
8	Punarvasu Builders and Developers Private Limited*	01-Apr-2014	1,123,528	2.22		N.A.		
		31-Mar-2015	N.A.					

Annexure to the Directors' Report (contd.)

**To impart greater focus and undivided accountability at the leadership level and to rationalize operations of the diverse businesses of the Indiabulls group, so as to put the Company firmly on the growth path, the promoters, during the year under review, had mutually decided to reorganize the management control of different group companies amongst themselves. As part of the restructuring, Mr. Sameer Gehlaut, and the entities promoted by him, namely, Kritikka Infrastructure Private Limited, Jyestha Infrastructure Private Limited, Powerscreen Media Private Limited, Karanbhumi Estates Private Limited, Meru Minerals Private Limited, Calleis Real Estate Private Limited, Calleis Constructions Private Limited, Calleis Properties Private Limited, Dahlia Infrastructure Private Limited and Galax Minerals Private Limited have continued as Promoters / Promoter Group / PACs with the promoters of the Company.*

Further, with effect from July 18, 2014, Mr. Rajiv Rattan and the entities promoted by him, namely, Yantra Energetics Private Limited, Spire Constructions Private Limited, Laurel Energetics Private Limited, Nettle Constructions Private Limited, Antheia Infrastructure Private Limited and Antheia Properties Private Limited and Mr. Saurabh Kumar Mittal and the entities promoted by him, namely, Gragerious Projects Private Limited, Punarvasu Builders and Developers Private Limited, Ceres Trading Services Private Limited, Daisy Projects Private Limited, Lucerne Trading Services Private Limited, Cleta Infrastructure Private Limited and Cleta Constructions Private Limited, have ceased to be the Promoters / Promoter Group / PACs with the promoters of the Company.

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

Sl No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Indiabulls Employees' Welfare Trust [#]	2,433,736	4.81	0	0.00
2	Tejinder Pal Singh Miglani [#]	969,491	1.92	64,157	0.13
3	Ashish Choudhary*	925,592	1.83	760,169	1.50
4	Kalpana Khandelwal*	508,342	1.01	438,091	0.86
5	Ashish Damani*	508,121	1.00	508,121	1.00
6	Nafees Ahmed*	500,387	0.99	500,000	0.99
7	Vibgyor Investors and Developers Pvt Ltd*	500,000	0.99	500,000	0.99
8	Manish Rathi*	500,000	0.99	500,000	0.99
9	Falguni Chandresh Lotia [#]	500,000	0.99	400,000	0.79
10	Runner Marketing Pvt Ltd*	500,000	0.99	500,000	0.99
11	Chatura M Rao [§]	0	0.00	1,555,000	3.07
12	Sumesh Menon K P [§]	0	0.00	510,007	1.01
13	Affluence Shares and Stocks Private Limited [§]	0	0.00	440,823	0.87

*Top 10 shareholders as on April 1, 2014 and March 31, 2015

[#] Top 10 Shareholders as on April 1, 2014 only

[§]Top 10 Shareholders as on March 31, 2015 only

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding			Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease	Cumulative Shareholding during the year (01-Apr-2014 to 31-Mar-2015)	
		Date [beginning of the year (01-Apr-2014)/ end of the year (31-Mar-2015)]	No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
A.	Shareholding of Directors						
1	Col. (Retd.) Surinder Singh Kadyan Executive Director	01-Apr-2014 31-Mar-2015	12 0	0.00 0.00	22-Jan-15 /Decrease/ 12 shares/ sale	0	0.00
2	Mr. Mehul Johnson Non-Executive Director	01-Apr-2014 31-Mar-2015	24,375 24,375	0.05 0.05	-	24,375	0.05
3	Ms. Pia Johnson [#] Non-Executive Director	01-Apr-2014 31-Mar-2015	0 0	0.00 0.00	-	0	0.00
4	Mr. Shamsher Singh Ahlawat Independent Director	01-Apr-2014 31-Mar-2015	0 0	0.00 0.00	-	0	0.00
5	Mr. Joginder Singh Kataria [#] Independent Director	01-Apr-2014 31-Mar-2015	25 25	0.00 0.00	-	25	0.00
6	Mr. Rajinder Singh Nandal [#] Independent Director	01-Apr-2014 31-Mar-2015	0 0	0.00 0.00	-	0	0.00
7	Mr. Karan Singh Kherra * Independent Director	01-Apr-2014 31-Mar-2015	0 0	0.00 0.00	-	0	0.00
B.	Shareholding of KMPs other than MD/ WTD/ Manager						
1	Mr. Saurabh Garg Chief Financial Officer	01-Apr-2014 31-Mar-2015	0 0	0.00 0.00	-	0	0.00
2	Ms. Priya Jain Company Secretary	01-Apr-2014 31-Mar-2015	0 0	0.00 0.00	-	0	0.00

[#] appointed as Directors on the Board of the Company during the FY 2014-15

* ceased to be Director of the Company during the FY 2014-15

Annexure to the Directors' Report (contd.)

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Amount (in ₹)

	Secured Loans excluding deposit	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
Additions / (Reduction)				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Amount (in ₹)

Sl. No.	Particulars of Remuneration	Col. (Retd.) Surinder Singh Kadyan, Executive Director
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-
2	Stock option	-
3	Sweat Equity	-
4	Commission (as % of profit/others)	-
5	Others	-
	Total (A)	-
	Ceiling as per the Act	₹ 17.44 lacs (being 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)

B. Remuneration to other Directors:

Sl. No	Particulars of Remuneration	Name of Directors				Total Amount (In ₹)
		Mr. Shamsher Singh Ahlawat	Mr. Joginder Singh Kataria [#]	Mr. Rajinder Singh Nandal [#]	Mr. Karan Singh Khara [*]	
1	Independent Directors					
	(a) Fee for attending board/ committee meetings	-	-	-	-	-
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	Mr. Mehul Johnson		Ms. Pia Johnson[#]		
	(a) Fee for attending board/ committee meetings	-	-	-	-	-
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-				
	Overall ceiling as per the Act	₹ 38.38 lacs (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)				

[#] appointed as Directors on the Board of the Company during the FY 2014-15^{*} ceased to be Director of the Company during the FY 2014-15**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total (In Rs)
		Ms. Priya Jain, Company Secretary	Mr. Saurabh Garg, Chief Financial Officer	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	920,200.00	0.00	920,200.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	32,400.00	0.00	32,400.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00
2	Stock option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission(as % of profit/ others)	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00
	Total	952,600.00	0.00	952,600.00

Annexure to the Directors' Report (contd.)

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

ANNEXURE 5

Disclosures on Managerial Remuneration

Details of remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as under –

Ratio of the remuneration of each director to the median employees' remuneration, for FY 2014-15

Not applicable because no remuneration was paid to any of the Directors during the FY 2014-15.

Percentage increase in remuneration of each director and Key Managerial Personnel, in FY 2014-15

Designation	Increase in Remuneration (%)
Company Secretary	26.64%

No remuneration was paid to any of the Directors and any other KMP, except as aforesaid, during the FY 2014-15.

The percentage increase/ decrease in the median remuneration of employees in the FY 2014-15

The percentage increase/ decrease in the median remuneration of all the employees (including KMPs), computed on the basis of median remuneration for FY 2013-14 and FY 2014-15 was (-)6.52%.

Number of permanent employees on the rolls of Company

The Company had 7 employees on its permanent rolls, as of March 31, 2015.

Explanation on the relationship between average increase in remuneration and Company performance.

The average increase in the remuneration of the employees of the Company, during FY 2014-15, based on the remuneration for FY 2013-14 and FY 2014-15 was 26.64%. During the FY 2014-15, despite the challenging environment, the Company delivered robust financial performance and with a view to retain talent, the Company had paid an average increase in the remuneration of employees.

Comparison of remuneration of Key Managerial Personnel(s) against the performance of the Company.

During the FY 2014-15, despite the challenging environment, the Company delivered robust financial performance.

Given below are some key financial parameters, which reflect the Company's performance.

Parameters	March 31, 2015 (₹ in crores)	March 31, 2014 (₹ in crores)	% Growth
Total Income	53.12	44.17	20.27%
PBT	17.64	7.52	134.53%
PAT	13.37	4.79	179.00%

During the FY 2014-15 no remuneration was paid to any of the Director or any of the KMPs except the remuneration paid to Company Secretary, as disclosed in this Annual Report.

The Company follows prudent remuneration practices under the guidance of the Board and Nomination & Remuneration Committee. The Company's approach to remuneration is intended to drive meritocracy and is linked to various parameters including its performance, growth, individual performance, peer comparison of other companies, within the framework of prudent Risk Management.

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

The average percentile increase made in the salaries of total employees other than the key managerial personnel, for FY 2015 is around 14.58%, while the average increase in the remuneration of key managerial personnel is around 26.64%. This increment is in line with the factors outlined above.

Annexure to the Directors' Report (contd.)

The Company reiterates that there were no exceptional circumstances which warranted an increase in managerial remuneration, which was not justified, by the overall performance of the Company.

The increase in remuneration of Key Managerial Personnel is based on the overall performance of the Company. As stated above, the Company performed well on various financial parameters.

Key parameters for any variable component of remuneration availed by the directors

No variable component of remuneration has been availed by any of the director.

Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.

Not applicable because no remuneration was paid to any of the Directors during the FY 2014-15.

Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year.

The market capitalisation of the Company decreased by 30.98%, from ₹ 90.76 crores as at March 31, 2014 to ₹ 62.64 crores as at March 31, 2015. The price to earnings ratio was 4.77 times as at March 31, 2015 (PY 19.94 times).

The market price of the shares of the Company at National Stock Exchange of India Limited as at March 31, 2014 and March 31, 2015 was ₹ 17.95 and ₹ 12.35, respectively and at BSE Limited it was ₹ 17.80 and ₹ 12.39, respectively on both dates. The Company got listed pursuant to the Scheme of Arrangement and not through public issue. Therefore, market quotations of the shares of the Company as at March 31, 2015 have been compared to the quotations of the shares of the Company as at March 31, 2014.

It is hereby affirmed that the aforesaid remuneration paid by the Company, is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company.

Note: Percentages have been computed after annualizing the remuneration of all the employees (including KMPs) on pro rata basis, if drawn for part of the year.

Report on Corporate Governance

1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Sound Corporate Governance practices and responsible corporate behavior contribute to long term performance of companies. Best practices on governance issues are an evolutionary and continuing process. There is no single template to define good governance. Broadly, however, Corporate Governance practices should aim at striking a balance between interests of various stakeholders on the one hand and the duties and responsibilities of the Board and senior management in overseeing the affairs of the Company on the other.

The Corporate Governance policy in Indiabulls Wholesale Services Limited ("IBWSL" or "the Company") encompasses the simple tenets of integrity, transparency and fairness in whatever the Company does and what it basically aims at achieving is a complete adherence to the applicable statutes while at the same time ensuring a complete commitment to values and the highest ethical standards in every facet of its operations and in each of the functional areas. This in turn ensures that best in the class concept of Corporate Governance practices become a way of life in the Company.

In line with the nature and size of operations of the Company, the Corporate Governance framework in the Company is based on the following main principles:

- Constitution of a Board of Directors of appropriate composition, size, varied experience and commitment to discharge their responsibilities and duties.
- Transparency and independence in the functions of the Board.
- Ensuring timely flow of information to the Board and its Committees to enable them discharge their functions effectively.
- Independent verification and assured integrity of financial reporting.
- Timely and balanced disclosure of all material information concerning the Company to all stakeholders and protection of their rights and interests.
- A sound system of risk management and internal control, anti-bribery and anti-corruption business practices.
- Compliance with applicable laws, rules and regulation in letter and spirit.

2. BOARD OF DIRECTORS (BOARD)

(A) Composition and size of the Board

The Board of Directors in IBWSL has been constituted in a manner which ensures appropriate mix of executive/ non-executive and independent directors to ensure proper governance and management. The Board members have collective experience in diverse fields.

The Board consists of six directors of whom one is executive director and the remaining five directors are non-executive directors, with three of such directors being Independent Directors and one Woman Director.

The details of Directors, number of directorships held by them in other companies as also the number of their memberships and chairmanships on various Board Committees, as on March 31, 2015 are depicted in the table given below:

Sl. No.	Name of the Director [^]	Category of Directorship	No. of Directorships in other Companies*	No. of Memberships/ Chairmanships in the Board Committees of various companies (including the Company)**	
				As Member [#]	As Chairman
1.	Col. Surinder Singh Kadyan	Executive Director	9	1	0
2.	Mr. Mehul Johnson	Non-Executive Director	8	5	1
3.	Ms. Pia Johnson	Non-Executive Director	3	1	0
4.	Mr. Shamsher Singh Ahlawat	Non-Executive Independent Director	6	10	5
5.	Mr. Joginder Singh Kataria	Non-Executive Independent Director	8	9	5
6.	Mr. Rajinder Singh Nandal	Non-Executive Independent Director	8	9	1

[^] During FY 2014-15, Mr. Karan Singh Khara resigned from the directorship of the Company. Accordingly, his directorships, memberships/ chairmanships on the board committees of the Company and those of other companies, are therefore not indicated in the above table.

Report on Corporate Governance (contd.)

*Does not include directorships held in foreign companies and private limited companies.

**As per Clause 49 of the Listing Agreement, only memberships/ chairmanships of the Audit Committees and Stakeholders Relationship Committees in various public limited companies, considered.

#This includes the chairmanship in the Committees.

(B) Details of Board Meetings and the last Annual General Meeting (AGM) and attendance record of Directors thereat

During the financial year 2014-15, the Board met 11 (Eleven) times. The dates of the meetings were April 23, 2014, July 4, 2014, July 18, 2014, July 25, 2014, August 26, 2014, September 27, 2014, October 27, 2014, December 11, 2014, December 29, 2014, January 30, 2015 and March 10, 2015.

The last Annual General Meeting (AGM) of the Company was held on September 26, 2014.

A table depicting the attendance of Directors at various Board Meetings and the Annual General Meeting held during FY 2014-15 is given below:

Sl. No.	Name of the Director	Meetings held during the tenure	No. of Board meetings attended	Attendance at the last AGM
1.	Col. Surinder Singh Kadyan (DIN: 03495880)	11	11	Yes
2.	Mr. Mehul Johnson (DIN: 00016075)	11	11	No
3.	Ms. Pia Johnson# (DIN: 00722403)	1	1	N.A.
4.	Mr. Shamsher Singh Ahlawat (DIN: 00017480)	11	8	Yes
5.	Mr. Joginder Singh Kataria # (DIN: 05202673)	6	4	N.A.
6.	Mr. Rajinder Singh Nandal# (DIN: 03094903)	6	5	N.A.
7.	Mr. Karan Singh Khera* (DIN: 00017236)	5	5	Yes

appointed as Director on the Board of the Company during the FY 2014-15

* ceased to be Director of the Company during the FY 2014-15

3. COMMITTEES OF THE BOARD

The Board has constituted various Committees to take informed decisions in the best interest of the Company. These Committees monitor the activities falling within their terms of reference. The role and the composition of these Committees including number of meetings held during the financial year and participation of the members at the meetings of the committees, during the year are as under.

(A) Audit Committee

Composition

The Audit Committee currently comprises of three members namely Mr. Joginder Singh Kataria as the Chairman, Mr. Shamsher Singh Ahlawat and Mr. Mehul Johnson, as other two members, all Non-Executive Directors. Two out of three members namely Mr. Shamsher Singh Ahlawat and Mr. Joginder Singh Kataria are Independent directors. Ms. Priya Jain, Secretary of the Company also acts as the Secretary of the Audit Committee.

Terms of reference

The terms of reference of the Audit Committee, inter-alia, includes:

- To oversee the financial reporting process and disclosure of financial information;
- To review with management, quarterly and annual financial statements and ensure their accuracy and correctness before submission to the Board;
- To review with management and internal auditors, the adequacy of internal control systems, approving the internal audit plans and reviewing the efficacy of their function, discussion and review of periodic audit reports including findings of internal investigations;
- To recommend the appointment of the internal and statutory auditors and fixing their remuneration;

Report on Corporate Governance (contd.)

- To hold discussions with the statutory and internal auditors;
- To review and monitor auditor's independence and performance, and effectiveness of audit process;
- To examine the auditors' report on financial statements of the Company (in addition to the financial statements) before submission to the Board;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Monitoring the end use of funds raised through public offers and related matters as and when such funds are raised and also the 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;
- Evaluation of the risk management systems (in addition to the internal control systems);
- Review and monitoring of the performance of the statutory auditors and effectiveness of the audit process;
- To hold post audit discussions with the auditors to ascertain any area of concern;
- To review the functioning of the whistle blower mechanism;
- Approval to the appointment of the CFO after assessing the qualifications, experience and background etc. of the candidate.

Meetings and Attendance during the year

During the FY 2014-15, the Audit Committee met four times. The dates of the meetings being April 23, 2014, July 25, 2014, October 27, 2014 and January 30, 2015.

The attendance record of committee members to the meetings so held is depicted in the table given below:

Name of the Member	Meetings held during the tenure	Meetings attended
Mr. Joginder Singh Kataria [#]	2	2
Mr. Shamsher Singh Ahlawat	4	4
Mr. Mehul Johnson	4	4
Mr. Karan Singh Khara [*]	2	2

[#] appointed to the Committee during the FY 2014-15.

^{*} ceased to be the member / resigned from the Committee during the FY 2014-15.

The Chief Financial Officer and Auditors attended the meetings by invitation.

(B) Nomination & Remuneration Committee

Composition

The Nomination & Remuneration Committee (N&R Committee) of the Board currently comprises of three Non-Executive Directors as its members namely Mr. Shamsher Singh Ahlawat as the Chairman, Mr. Rajinder Singh Nandal and Mr. Mehul Johnson, as other two members. Two out of the three members namely, Mr. Rajinder Singh Nandal and Mr. Shamsher Singh Ahlawat, are Independent Directors.

Terms of reference

The terms of reference of N&R Committee, inter-alia, includes:

- To recommend to the Board, compensation terms of the Executive Directors;
- To assist the Board in determining and implementing the Company's Policy on the remuneration of Executive Directors;
- Identifying the persons who are qualified to become directors and those who may be appointed in senior management in accordance with the criteria laid down by it and recommending to the Board their appointment and removal and carrying out the evaluation of the performance of every director;
- Formulating the criteria for determining the qualifications, positive attributes and independence of a director.

Report on Corporate Governance (contd.)

Meetings and Attendance during the year

During the FY 2014-15, the Committee met three times on April 23, 2014, August 26, 2014 and March 10, 2015.

The attendance of Committee members in these meetings is as under:

Name of the Member	Meetings held during the tenure	Meetings attended
Mr. Shamsher Singh Ahlawat	3	3
Mr. Rajinder Singh Nandal [#]	1	1
Mr. Mehul Johnson	3	3
Mr. Karan Singh Khara [*]	2	2

[#] appointed to the Committee during the FY 2014-15.

^{*} ceased to be the member / resigned from the Committee during the FY 2014-15.

Policy for selection and appointment of Directors

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

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

Remuneration Policy

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

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the N&R Committee has laid down the criteria for performance evaluation of Independent Directors and Executive Directors, which inter-alia covers level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the Non-Independent Directors. The performance evaluation of the Chairman and the non-Independent Directors was carried out by the Independent Directors, who also reviewed the performance of the secretarial department of the Company. The Directors expressed their satisfaction with the evaluation process.

Policy on Board Diversity

The N&R Committee devises the policy to provide for having a broad experience and diversity on the Board.

Remuneration of Directors

(i) Remuneration of Executive Directors

Col. Surinder Singh Kadyan, Executive Director does not draw any remuneration from the Company.

Report on Corporate Governance (contd.)

(ii) Remuneration of Non-Executive Directors

Non-Executive Directors have not been paid any remuneration/ sitting fees during the FY 2014-15.

(C) Stakeholders Relationship Committee

Composition

The Stakeholders Relationship Committee comprises of three members namely Mr. Rajinder Singh Nandal, an Independent Non-Executive Director, as the Chairman and Mr. Shamsher Singh Ahlawat and Col. Surinder Singh Kadyan, as other two members.

Terms of Reference

The scope, terms of reference and functioning of the Committee is as prescribed under Clause 49 of the Listing Agreement. The primary functions carried out by the Committee are to approve requests for share transfers and transmissions, to approve the requests pertaining to remat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc. and for this purpose the required authority has been delegated to Col. Surinder Singh Kadyan.

The Committee oversees all matters encompassing the shareholders / investors related issues.

Meetings and Attendance during the year

During the FY 2014-15, the Committee met four times. The dates of the meetings were April 7, 2014, July 7, 2014, October 6, 2014 and January 5, 2015.

The attendance record of committee members in respect of the meetings so held is depicted in the table given below:

Name of the Member	No. of meetings held during the tenure	No. of meetings attended
Mr. Rajinder Singh Nandal [#]	2	2
Mr. Shamsher Singh Ahlawat	4	3
Col. Surinder Singh Kadyan	4	3
Mr. Karan Singh Khara [*]	2	2

[#] appointed to the Committee during the FY 2014-15.

^{*} ceased to be the member / resigned from the Committee during the FY 2014-15.

Name and designation of Compliance Officer

Ms. Priya Jain, Company Secretary is the Compliance Officer pursuant to Clause 47(a) of the Listing Agreement with Stock Exchanges.

Details of queries / complaints received and resolved during the year 2014-15

Sl. No.	Particulars	Opening	Received	Disposed	Pending
1.	Letters from SEBI / Stock Exchange	0	2	2	0
2.	Non-receipt of dividend	0	10	10	0
3.	Non-receipt of annual report	0	43	43	0
	Total	0	55	55	0

(D) Corporate Social Responsibility (CSR) Committee

Composition

The Corporate Social Responsibility Committee comprises of three members namely Mr. Shamsher Singh Ahlawat, an Independent Non-Executive Director, as the Chairman and Mr. Mehul Johnson and Col. Surinder Singh Kadyan, as other two members.

Terms of Reference

The terms of reference of the CSR Committee, inter-alia, includes:

- To recommend to the Board, the CSR activity to be undertaken by the Company;
- To approve the expenditure to be incurred on the CSR activity;

Report on Corporate Governance (contd.)

- To oversee and review the effective implementation of the CSR activity;
- To ensure compliance of all related applicable regulatory requirements.

Meetings and Attendance during the year

During the FY 2014-15, the Committee met three times. The dates of the meetings being April 2, 2014, April 25, 2014 and March 31, 2015.

The attendance record of Committee members in respect of the meetings so held is depicted in the table given below:

Name of the Member	No. of meetings held during the tenure	No. of meetings attended
Mr. Shamsher Singh Ahlawat	3	3
Mr. Mehul Johnson	3	2
Col. Surinder Singh Kadyan	3	3

4. GENERAL BODY MEETINGS

(A) Location and time of last three Annual General Meetings (AGMs)

Year	Location	Date	Time
2011-12	Centaur Hotel, IGI Airport, Delhi Gurgaon Road, New Delhi – 110 037	September 27, 2012	12:00 Noon
2012-13	Centaur Hotel, IGI Airport, Delhi Gurgaon Road, New Delhi – 110 037	September 30, 2013	10:15 A.M.
2013-14	Centaur Hotel, IGI Airport, Delhi Gurgaon Road, New Delhi – 110 037	September 26, 2014	01:00 P.M.

(B) Details of special resolutions passed in the previous three AGMs

In the AGMs for the year 2011-12 and 2012-13, no special resolution was passed.

In the AGM for the year 2013-14, special resolutions as per detail hereunder, were passed:

- Special Resolution seeking consent of the members pursuant to the provisions of sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and applicable Rules framed thereunder, read with Schedule V to the Act, to the re-appointment of Col Surinder Singh Kadyan (DIN: 03495880) as Whole-time Director of the Company, for a further period of five years, with effect from April 25, 2014, without any remuneration.
- Special Resolution seeking approval of the members pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules framed thereunder, authorizing the Board for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 500 crore.
- Special Resolution seeking approval of the members pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules framed thereunder, authorizing the Board to the creation of mortgages, charges and hypothecations or creation of security, in any other form or manner, as may be necessary, on such of the assets of the Company, both present and future, in such manner as the Board may direct, in favour of financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, other bodies corporate (hereinafter referred to as the "Lending Agencies") and Trustees for the holders of debentures/ bonds and/or other instruments which may be issued on private placement basis or otherwise, to secure rupee term loans/foreign currency loans, debentures, bonds and other instruments together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company to the Trustees under the Trust Deed and to the Lending Agencies under their respective Agreements / Loan Agreements / Debenture Trust Deeds entered / to be entered into by the Company in respect of the said borrowings.

- (iv) Special Resolution seeking approval of the members pursuant to Section 14 and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules framed thereunder, to alter the Article 1 of the Articles of Association of the Company.

(C) Special resolution passed during FY 2014-15 through postal ballot

During the FY 2014-15, no resolution was passed by the Company through Postal Ballot.

(D) Procedure for postal ballot

For conducting a postal ballot, notice specifying the resolutions proposed to be passed through postal ballot as also the relevant explanatory statement and the postal ballot forms, are dispatched to all the shareholders along with self addressed postage pre paid envelope. The shareholders are requested to send back the postal ballot forms duly filled up and signed, in the postage pre paid envelopes provided to them by the Company, so as to reach the Scrutinizer (in whose name the envelopes are marked) on or before the 30th day from the date of issue of notice by the Company.

The Scrutinizer compiles the postal ballot result out of the postal ballot forms found valid and hands over the results to the Chairman. The Chairman thereupon declares the result of the postal ballot and the same is also displayed on a notice board at the Registered office of the Company.

5. DISCLOSURES

(i) Related Party Transactions

During the year, no materially significant related party transaction was entered by the Company with its Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large. The Policy on materiality of Related Party Transactions and also on dealing with such transactions is available on the website of the Company: www.indiabulls.com/wholesale.

(ii) Executive Director / CFO Certification

The Executive Director and CFO have issued certificate pursuant to the provisions of Clause 49 of the Listing Agreement, certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

(iii) (a) Code of Conduct and Ethics

The Company has laid down a Code of Conduct and Ethics (the "Code") for the Board Members and Senior Management personnel of the Company. The Code is available on the website of the Company: www.indiabulls.com/wholesale. All Board Members and Senior Management personnel have affirmed compliance with the Code. A declaration signed by the Executive Director to this effect is enclosed at the end of this Report.

The Code seeks to ensure that the Board Members and Senior Management personnel observe a total commitment to their duties and responsibilities while ensuring a complete adherence with the applicable statutes along with business values and ethics.

(b) Code of Conduct for Prevention of Insider Trading

The Company has laid down a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of the Securities and Exchange Board of India (Insider Trading) Regulations, 2015 and the Companies Act, 2013, with a view to regulate trading in Securities of the Company by its directors, designated persons and employees.

(iv) Whistle Blower Policy

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

Report on Corporate Governance (contd.)

raised and addressed and are recognized as an enabling factor in administering good governance practices. The details of the Whistle Blower Policy are available on the website of the Company: www.indiabulls.com/wholesale.

(v) Strictures and penalties

During the FY 2014-15, NSE & BSE levied fine of ₹ 8,000/- and ₹ 8,989/- respectively, on the Company, alleging delayed compliance of clause 31 of the Listing Agreement. The Company though clarified to Exchanges regarding due compliance of relevant clause, however, deposited fines with Exchanges under protest. Except as aforesaid, there has not been any other instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence, no penalty has been imposed on the Company or no strictures have been passed against it, by SEBI or Exchanges or any other statutory authorities on any such matters.

(vi) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of clause 49.

The Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement in letter as well as in spirit. The details of these compliances have been given in the relevant sections of this Report. The status on compliance with the Non mandatory requirements are given at the end of the Report

6. MEANS OF COMMUNICATION

- (i) Publication of Results:** The quarterly / annual results of the Company are published in leading newspapers like Financial Express, Business Standard and Jansatta.
- (ii) News, Release, etc:** The Company has its own website: www.indiabulls.com/wholesale and all vital information relating to the Company and its performance including financial results, press releases pertaining to important developments, performance updates and corporate presentations etc. is regularly posted on the website.
- (iii) Management Discussion and Analysis Report:** The same has been included in a separate section, which forms a part of this Annual Report.
- (iv) Investors' Relation:** The Company's website contains a separate dedicated section 'Investor Relations' and 'News & Media' where general information is available for shareholders.

7. GENERAL SHAREHOLDERS' INFORMATION

(A) Company Registration Details

The Company is registered in the State of Delhi, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L51101DL2007PLC166209.

(B) Date, Time and Venue of Annual General Meeting (AGM)

The date, time and venue of the ensuing AGM has been indicated in the Notice convening the AGM, which is annexed to the Annual Report.

(C) Financial year

The financial year of the Company is a period of twelve months beginning on 1st April every calendar year and ending on 31st March the following calendar year.

(D) Date of Book Closure

Book Closure dates have been provided in the Notice convening the AGM forming part of this Annual Report.

(E) Dividend Payment date

No dividend has been recommended by the Board for the financial year 2014-15.

(F) Listing on Stock Exchanges

The Company's Equity Shares are listed on the following stock exchanges:

BSE Limited	National Stock Exchange of India Limited
Phiroze Jeejeebhoy Towers,	"Exchange Plaza", Bandra-Kurla Complex,
Dalal Street, Mumbai – 400 001	Bandra (E), Mumbai – 400 051

(G) Stock Code

BSE Limited	-	533520
National Stock Exchange of India Limited	-	IBWSL
ISIN for Dematerialisation	-	INE 126M01010

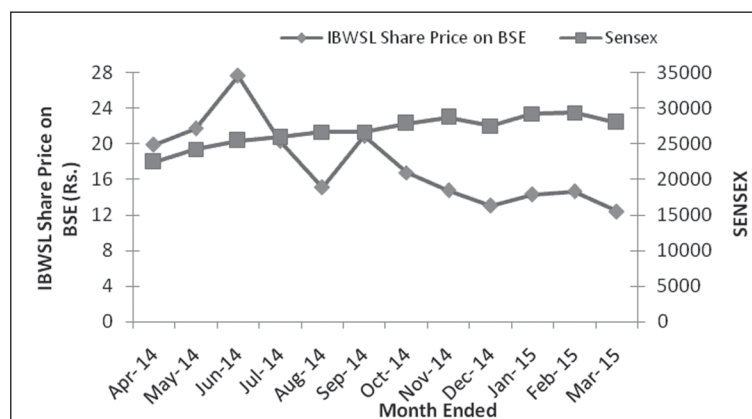
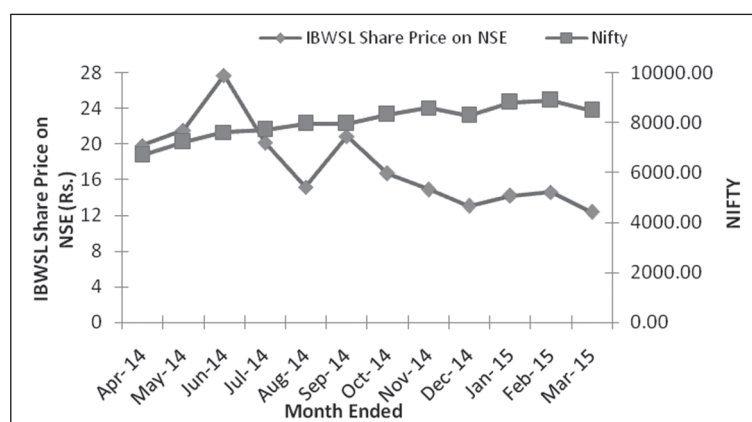
Report on Corporate Governance (contd.)

(H) Market Price Data

The monthly high and low market prices of shares at the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year ended March 31, 2015 are as under:

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2014	21.35	17.70	21.75	17.05
May 2014	29.15	18.25	29.20	19.30
June 2014	29.15	19.40	29.20	19.20
July 2014	31.75	18.45	31.85	18.35
August 2014	22.70	15.00	22.50	15.00
September 2014	23.90	14.50	24.00	14.50
October 2014	21.85	15.90	21.85	16.15
November 2014	17.80	13.65	17.90	13.55
December 2014	15.45	10.60	15.30	11.01
January 2015	14.80	12.80	16.50	12.80
February 2015	17.80	11.00	17.58	12.11
March 2015	15.80	11.20	15.24	11.10

(I) Comparison of Company's share price with the broad-based indices viz. NSE Nifty & BSE Sensex.



Report on Corporate Governance (contd.)

(J) Registrar and Transfer Agents

Karvy Computershare Private Limited are acting as the Registrar and Share Transfer Agents (RTA) of the Company for handling the share related matters, both in physical and the dematerialised mode.

The contact details are as under:

Karvy Computershare Private Limited

(Unit : Indiabulls Wholesale Services Limited)

Karvy Selenium, Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad - 500 032

Contact Person : Ms. Shobha Anand, AGM, Corporate Registry
Phone : 040-6716 2222
Fax : 040-23001153
E-mail : einward.ris@karvy.com

(K) Share Transfer System

The Board has delegated the authority for share transfers, transmissions, remat / demat of shares/sub-division/ consolidation/issue of renewed and duplicate share certificates etc. to the Board constituted Stakeholders Relationship Committee. For any such action request is to be made to the RTA, which after scrutinizing all such requests, forwards it for approval by Stakeholders Relationship Committee.

(L) (i) Distribution of equity shareholding as on March 31, 2015

Sl. No.	Shareholding of nominal value (in ₹)		No. of holders	% to total no. of holders	Value in ₹	% to nominal value
	From	To				
1.	1	- 5,000	64,775	98.02	9,206,788	9.08
2.	5,001	- 10,000	528	0.80	4,083,194	4.02
3.	10,001	- 20,000	321	0.49	4,849,186	4.78
4.	20,001	- 30,000	126	0.19	3,172,582	3.13
5.	30,001	- 40,000	73	0.11	2,663,234	2.62
6.	40,001	- 50,000	49	0.07	2,201,110	2.17
7.	50,001	- 100,000	108	0.16	7,718,288	7.61
8.	100,001 and above		105	0.16	67,542,604	66.59
	Total		66,085	100.00	101,436,986	100.00

(ii) Equity Shareholding pattern as on March 31, 2015

Sl.No.	Category	No. of Shares	% holding
1.	Promoters and Promoters Group	15,446,175	30.45
2.	Banks	86	0.00
3.	FIIIs/ FPIs	154,762	0.31
4.	Bodies Corporate	6,147,929	12.12
5.	Indian Public	26,922,914	53.08
6.	NRIs	1,878,514	3.70
7.	Foreign Nationals	99,000	0.20
8.	Clearing Members	69,113	0.14
	Total	50,718,493	100.00

Report on Corporate Governance (contd.)

(M) Dematerialisation of shares and liquidity

Shares of the Company are compulsorily traded in dematerialised form and are available for trading under both the depositories i.e. NSDL and CDSL.

As on March 31, 2015, 99.61% Equity shares of the Company representing 50,522,548 out of a total of 50,718,493 Equity shares were held in dematerialised form and the balance 195,945 shares were held in physical form.

Further, as on March 31, 2015, 2,517,700 Preference shares of face value ₹ 10/- each of the Company were held in physical mode. Same are presently not listed on any Stock Exchange.

(N) Outstanding Convertible Instruments

There are no outstanding convertible instruments as on date in the Company.

(O) Address for Correspondence

(i) Registered Office:

M-62 & 63, First Floor,
Connaught Place,
New Delhi – 110 001

(ii) Corporate Offices:

“Indiabulls House”
448-451, Udyog Vihar, Phase V,
Gurgaon – 122 016
Haryana
Indiabulls Finance Center,
Tower 1, Elphinstone Mills,
Senapati Bapat Marg,
Elphinstone Road, Mumbai - 400 013
Maharashtra

(P) Profile of Directors seeking appointment/ re-appointment

(i) Mr. Mehul Johnson, Director

Mr. Mehul Johnson has over 15 years of leadership experience in construction, real estate & hospitality industry. During his long association with Indiabulls Group, he has provided leadership & guidance in the areas of strategic planning, resource management, regulatory, hospitality, & projects execution etc. Prior to his joining Indiabulls, he had set up, owned and managed an infrastructure construction business where he successfully executed several prestigious projects by leading institutions, including the National Highway Authority of India, and the Prime Minister's Rural Road Development Scheme.

Mr. Johnson graduated from Punjab University with a degree in Economics.

Mr. Johnson holds 24,375 Equity Shares of the Company. Being spouse, he is related to Ms. Pia Johnson, Director.

Mr. Johnson is also on the Board of Store One Retail India Limited, Indiabulls Buildcon Limited, Indiabulls Lands Limited, Indiabulls Estate Limited, Indiabulls Constructions Limited, Makala Infrastructure Limited, Indiabulls Industrial Infrastructure Limited and Airmid Aviation Services Limited. He is the member of the Audit Committee, Compensation Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee of the Company and member of the Audit Committee, Stakeholders Relationship Committee, Compensation Committee and Corporate Social Responsibility Committee of Store One Retail India Limited. He is also member of the Audit Committee and Nomination & Remuneration Committee of Airmid Aviation Services Limited and Chairman of Audit Committee and Nomination & Remuneration Committee of Makala Infrastructure Limited.

(ii) Ms. Pia Johnson, Director

Ms. Pia Johnson has rich experience in providing and managing facilities management services business. During her association with the Group, she has provided leadership and guidance in the areas of strategic planning, resource management, hospitality and project execution etc.

Ms. Pia Johnson is law graduate from Mumbai University.

Report on Corporate Governance (contd.)

Ms. Pia Johnson does not hold any shares in the Company. Being spouse, she is related to Mr. Mehul Johnson, Director. Ms. Pia Johnson is also on the Board of Store One Retail India Limited, Indiabulls Ventures Limited and Indiabulls Infraestate Limited. She is member of Stakeholders Relationship Committee and Corporate Social Responsibility Committee of Store One Retail India Limited.

8. COMPLIANCE CERTIFICATE FROM A PRACTICING COMPANY SECRETARY

A certificate from a Practicing Company Secretary, certifying the Company's compliance with the provisions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to and forms a part of this report.

9. EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

The certificate referred to under Clause 49(V) of the Listing Agreement duly signed by the Executive Director and CFO has been given to the Board.

10. NON-MANDATORY REQUIREMENTS

Status of compliance of Non-mandatory requirements stipulated under Clause 49 is as under:

(A) Nomination & Remuneration Committee

The Company has a duly constituted Nomination & Remuneration Committee in place. For details as to the constitution of the Committee and the functional responsibility vested in it, please refer to point no. 3(B) in the earlier part of this Report.

(B) Unqualified Financial Statements

The Auditors' Report on the audited annual accounts of the Company does not contain any qualification from the Statutory Auditors and it shall be the endeavor of the Company to continue the trend by building up accounting systems and controls which ensure complete adherence to the applicable accounting standards and practices obviating the possibility of the Auditors qualifying their report as to the audited accounts.

Except as defined above, the Company has not adopted any other non-mandatory requirements recommended under Annexure 1D to the Clause 49 of the Listing Agreements with the Stock Exchanges.

ANNUAL DECLARATION BY THE EXECUTIVE DIRECTOR PURSUANT TO CLAUSE 49(I)(D)(ii) OF THE LISTING AGREEMENT

As Executive Director of Indiabulls Wholesale Services Limited and as required by Clause 49(I)(D)(ii) of the Listing Agreement, I hereby declare that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Business Conduct and Ethics, for FY 2014-15.

Surinder Singh Kadyan
Executive Director
(DIN: 03495880)

Date : August 28, 2015
Place : New Delhi

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Indiabulls Wholesale Services Limited

We have examined the compliance of conditions of Corporate Governance by Indiabulls Wholesale Services Limited ("the Company"), for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges.

We state that there were no outstanding investor grievances as on March 31, 2015 as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **S. Khandelwal & Co.**
Company Secretaries

Sanjay Khandelwal
Proprietor
C.P. No. - 6128
Membership No.: FCS-5945

Date: August 28, 2015
Place: New Delhi

Independent Auditors' Report

TO THE MEMBERS OF INDIABULLS WHOLESALE SERVICES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Indiabulls Wholesale Services Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

The consolidated financial statements of the Group for the year ended March 31, 2014, were audited by a different auditor who expressed an unmodified opinion vide its report dated April 23, 2014. Our opinion also remains unmodified pertaining to this matter.

Independent Auditors' Report (contd.)

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies, is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There were no pending litigations which would impact the consolidated financial position of the Group.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies.

For **Agarwal Prakash & Co.**
Chartered Accountants
Firm's Registration No.: 005975N

Prakash Agarwal
Partner
Membership No.: 084964

New Delhi
May 04, 2015

Annexure to the Auditor's Report

Annexure referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date on the consolidated financial statements for the year ended March 31, 2015

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

- i) In respect of the Fixed Assets of the Holding Company and subsidiary companies :
 - a. The respective entities have maintained proper records showing full particulars including quantitative details and situation of their Fixed Assets on the basis of available information.
 - b. As explained to us, the fixed assets have been physically verified by the Management of the respective entities during the year, which in our opinion is at reasonable intervals, having regard to the size of the respective entities and nature of their assets. No material discrepancies were noticed on such physical verification.
- ii) In respect of the Inventories of the Holding Company and subsidiary companies :
 - a. As explained to us, the inventory has been physically verified by the Management of the respective entities at reasonable intervals during the year.
 - b. As explained to us, the procedure of physical verification of inventories followed by the Management of the respective entities are reasonable and adequate in relation to the size of the respective entities and the nature of their business.
 - c. On the basis of our examination of the records of the inventory, the respective entities have maintained proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and they were properly dealt with in the books of account.
- iii) The Holding Company and subsidiary companies has not granted any loans, secured or unsecured to companies, firm or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the requirements of Clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Holding Company and subsidiary companies and nature of their business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weaknesses has been noticed in the in such internal control system.
- v) According to the information and explanations given to us, the Holding Company and subsidiary companies has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable .
- vi) We have broadly reviewed the cost records maintained by the Holding Company and subsidiary companies pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1)(d) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) In respect of Statutory dues of the Holding Company and subsidiary companies:
 - a. According to the records of the Holding Company and subsidiary companies, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period of more than six months from the date of becoming payable.
 - b. According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, Cess on account of any dispute, except for amount mentioned below –

Annexure to the Auditor's Report (contd.)

Name of the statute	Demand amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	8,280,195	Assessment Year 2007-08	CIT(A)
Income Tax Act, 1961	2,484,323	Assessment Year 2010-11	ITAT
Income Tax Act, 1961	26,031,360	Assessment Year 2011-12	CIT(A)
Income Tax Act, 1961	32,890,190	Assessment Year 2012-13	CIT(A)

- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the respective entities in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder. Accordingly, the provisions of clause 3(vii)(c) of the Order are not applicable.
- viii) The Holding Company and subsidiary companies do not have consolidated accumulated losses at the end of the financial year nor have they incurred cash losses, on a consolidated basis, during the financial year covered by our audit and in the immediately preceding financial year.
- ix) In our opinion, the respective entities have not defaulted in repayment of dues to a financial institutions or banks or debenture holders during the year.
- x) In our opinion and according to the information and explanations given to us, the Holding Company and subsidiary company have not given any guarantee for loans taken by others from Banks or Financial Institutions during the year. Therefore, the provisions of clause 3(x) of the Order are not applicable.
- xi) In our opinion and to the best of our knowledge and belief, proceeds of term loans taken were, prima facie, applied for the purpose for which the loans were obtained by the respective entities.
- xii) In our opinion and according to the information and explanations given to us, no fraud on or by the Holding Company and subsidiary companies has been noticed or reported during the year.

For **Agarwal Prakash & Co.**
Chartered Accountants
Firm's Registration No.: 005975N

Prakash Agarwal
Partner
Membership No.: 084964

New Delhi
May 04, 2015

Consolidated Balance Sheet

as at March 31, 2015

(All Amounts in Indian ₹ except share data and where otherwise stated)

	Note		As at March 31, 2015		As at March 31, 2014
I. EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	4		126,613,986		126,300,586
Reserves and surplus	5		8,698,274,343		8,560,794,416
Total of Shareholders' funds			8,824,888,329		8,687,095,002
Minority interest			-		2,569,792
Non-current liabilities					
Long-term borrowings	6		466,109,653		132,160,673
Deferred tax liabilities, net	23		-		671,595
Other Long term liabilities	7		100,000,000		-
Long-term provisions	8		13,800,667		28,526,518
Total of Non-current liabilities			579,910,320		161,358,786
Current liabilities					
Short-term borrowings	6		2,203,000,000		91,906,936
Trade payables	9		252,402,545		310,005,416
Other current liabilities	7		441,444,776		486,519,596
Short-term provisions	8		46,833,342		23,622,701
Total of Current liabilities			2,943,680,663		912,054,649
Total of Equity and Liabilities			12,348,479,312		9,763,078,229
II. ASSETS					
Non-current assets					
Goodwill on consolidation			3,463,465,078		3,235,930,238
Fixed assets	10				
Tangible assets		3,433,946,127		1,400,450,383	
Intangible assets		74,668		54,866,467	
Capital work-in-progress		62,590,800	3,496,611,595	-	1,455,316,850
Deferred tax assets, net	23		48,173,786		1,240,536
Long-term loans and advances	11		445,735,524		30,795,759
Other non-current assets	12		200,000		1,488,975
Total of Non-current assets			7,454,185,983		4,724,772,358
Current assets					
Inventories	13		160,927,556		392,600,476
Trade receivables	14		762,994,509		644,959,431
Cash and bank balances	15		72,102,681		126,617,402
Short-term loans and advances	11		3,817,732,751		3,718,532,476
Other current assets	12		80,535,832		155,596,086
Total of current assets			4,894,293,329		5,038,305,871
Total of Assets			12,348,479,312		9,763,078,229

Significant accounting policies

3

The accompanying notes are an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date

For **Agarwal Prakash & Co.**
Chartered Accountants

For and on behalf of the board of directors

Prakash Agarwal
Partner

Mehul Johnson
Director
DIN: 00016075

Surinder Singh Kadyan
Whole Time Director
DIN: 03495880

Place : New Delhi
Date: May 04, 2015

Priya Jain
Company Secretary

Saurabh Garg
Chief Financial Officer

Consolidated Statement of Profit and Loss

for the year ended March 31, 2015

(All Amounts in Indian ₹ except share data and where otherwise stated)

	Note		For the year ended March 31, 2015		For the year ended March 31, 2014
Revenue					
Revenue from operations	16		2,073,446,103		2,761,827,857
Other income	17		10,031,539		65,448,830
Total of Revenue			2,083,477,642		2,827,276,687
Expenses					
Cost of sales for real estate project under development and construction	18				
Cost incurred during the year		54,554,445		127,921,164	
Decrease in real estate project under development		250,843,820	305,398,265	173,979,001	301,900,165
Cost of sales of trading goods					
Purchase of stock-in-trade		22,237,180		18,792,238	
Decrease in inventory of stock-in-trade, net		(17,022,557)	5,214,623	5,098,429	23,890,667
Employee benefits expense	19		324,920,726		826,442,339
Finance costs	20		130,338,696		24,082,673
Depreciation and amortisation expense	10		173,168,926		103,495,134
Other expenses	21		996,794,779		1,073,937,838
Total of Expenses			1,935,836,015		2,353,748,816
Profit before tax			147,641,627		473,527,871
Tax expense:	23				
Current tax (including earlier year taxes)		21,066,119		28,361,395	
Less: Mat credit entitlement		(4,084)	21,062,035	(191,049)	28,170,346
Deferred tax			(51,792,466)		13,666,272
Profit for the year before minority interest			178,372,058		431,691,253
Minority interest			(877,135)		(2,352,530)
Profit for the year after minority interest			177,494,923		429,338,722
Earnings per equity share	25				
- Basic			3.44		8.45
- Diluted			3.41		8.21
Face value per equity share			2		2

Significant accounting policies

3

The accompanying notes are an integral part of the financial statements

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

For **Agarwal Prakash & Co.**
Chartered Accountants

Prakash Agarwal
Partner

Place : New Delhi
Date: May 04, 2015

For and on behalf of the board of directors

Mehul Johnson
Director
DIN: 00016075

Priya Jain
Company Secretary

Surinder Singh Kadyan
Whole Time Director
DIN: 03495880

Saurabh Garg
Chief Financial Officer

Consolidated Cash Flow Statement

for the year ended March 31, 2015

(All Amounts in Indian ₹ except share data and where otherwise stated)

	For the year ended March 31, 2015	For the year ended March 31, 2014
A. Cash flow from operating activities:		
Net Profit before tax	147,641,627	473,527,870
Adjustments for Statement of Profit and Loss items:		
Bad debts /sundry balances /inventory written off	72,008	2,623,462
Depreciation and amortisation expense	173,168,926	103,495,134
Dividend income on units of mutual fund	(5,868,826)	(5,459,842)
Interest expenses on loans and advances taken	118,614,299	23,035,346
Interest expenses on optionally convertible debentures	402	-
Interest income on fixed deposit receipts	(676,285)	(1,201,179)
Liabilities written back	(61,540)	(40,688,182)
Loss on sale of fixed asset	5,741,574	43,328,049
Net gain on sale of units of mutual funds	-	(609,213)
Other borrowing cost	10,164,669	-
Provision for doubtful debts, advances and security deposits	-	75,072,955
Provision for gratuity and compensated absences	4,701,815	3,767,721
Payment of gratuity and compensated absences	(180,149)	-
Unrealized foreign exchange gain	-	(440,207)
Operating profit / (loss) before working capital changes and other adjustments	453,318,520	676,451,914
Working capital changes and other adjustments		
Decrease/ (increase) in trade receivables	36,067,186	(346,744,351)
Increase in other current assets	-	(211,618)
Increase in loans and advances	(478,848,339)	(284,569,595)
Decrease in inventories	231,019,051	186,100,130
Amount received for employee benefit liabilities, net	-	284,679
Decrease in other non current assets	15,001	38,037
(Increase)/ decrease in trade payables and other liabilities	(11,962,628)	302,397,868
Cash generated from operating activities	229,608,791	533,747,064
Income tax paid, net	(24,181,437)	(56,717,580)
Net cash generated from operating activities	205,427,354	477,029,484
B. Cash flow from investing activities:		
Dividend received from units of mutual fund	5,868,826	5,459,842
Interest received on fixed deposit receipts	617,260	1,734,314
Interest received on loans and advances	211,618	-
Investments realised/ (made in) fixed deposit accounts with original maturity of more than 3 months	(75,000)	24,193,400
Sale of investments in subsidiary	142,000,000	-
Purchase of investments in subsidiary	(50,000,000)	-
Net gain on sale of investments	-	609,213
Proceeds from sale of fixed assets	9,513,726	1,249,313
Purchase of fixed assets (including capital work in progress and capital advance)	(529,513,260)	(615,874,844)
Net cash used in investing activities	(421,376,830)	(582,628,762)
C. Cash flow from financing activities:		
Dividends paid on equity share capital, including corporate dividend tax	-	(58,692,664)
Dividends paid on preference share capital, including corporate dividend tax	(2,803,056)	(3,106,048)
Interest paid on loans/ advances	(83,019,413)	(23,035,346)
Interest paid on optionally convertible debentures	(402)	-
Other borrowing costs	(10,164,669)	-
Proceeds from issue of equity share capital(including securities premium)	1,339,096	2,464,896
Proceeds from borrowings	286,363,994	187,855,248
Net cash generated from financing activities	191,715,550	105,486,086

Consolidated Cash Flow Statement

for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

	For the year ended March 31, 2015	For the year ended March 31, 2014
D. Exchange difference on translation of balances denominated in foreign currency	(113,161)	575,788
E. Increase/ (decrease) in cash and cash equivalents, net (A+B+C+D)	(24,347,087)	462,596
F. Cash and cash equivalents at the beginning of the year	125,079,082	124,616,486
G. Closing cash and cash equivalents of subsidiaries sold during the year	(33,590,360)	-
H. Opening cash and cash equivalents of subsidiaries acquired during the year	3,422,726	-
I. Cash and cash equivalents at the end of the year (E+F+G+H)	70,564,361	125,079,082

Note:

- a) The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard- 3 (AS - 3) on "Cash Flow Statements" as specified under section 133 of Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

	For the year ended March 31, 2015	For the year ended March 31, 2014
b) Cash and cash equivalents includes:		
Cash on hand	1,909,309	351,157
Foreign currency on hand	181,368	101,059
Balances with banks:		
In current accounts	48,325,721	121,248,855
In fixed deposit accounts	21,738,320	6,082,100
In unclaimed dividend accounts	147,963	148,011
	72,302,681	127,931,182
Less: balances with bank in fixed deposit accounts with original maturity of more than 3 months	(1,738,320)	(2,852,100)
Total of cash and cash equivalents	70,564,361	125,079,082

- c) Fixed deposit with bank of ₹ 200,000 (previous year: ₹ 1,493,780) is pledged for the guarantee provided by the bank and ₹ 20,000,000 (previous year: ₹ Nil) is under lien with bank against the term loan taken from the bank.
- d) Unclaimed dividend account pertains to dividend not claimed by equity shareholders and the Company does not have any right on the said money.
- e) Previous year figures have been regrouped and/ or reclassified wherever necessary to conform to those of the current year grouping and/or classification.

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

For **Agarwal Prakash & Co.**
Chartered Accountants

Prakash Agarwal
Partner

Place : New Delhi
Date: May 04, 2015

For and on behalf of the board of directors

Mehul Johnson
Director
DIN: 00016075

Priya Jain
Company Secretary

Surinder Singh Kadyan
Whole Time Director
DIN: 03495880

Saurabh Garg
Chief Financial Officer

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All Amounts in Indian ₹ except share data and where otherwise stated)

1. Company overview

Indiabulls Wholesale Services Limited ("the Company", "IBWSL") was incorporated on July 24, 2007.

The Company, together with its subsidiaries (collectively referred as the "Group") is engaged in the business of trading, real estate development and retail business. The Group is also engaged in the business of rendering IT consultancy, property maintenance, equipments hiring and tour & travel services.

2. Basis of consolidation and preparation of consolidated financial statements

a) Basis of accounting

The consolidated financial statements have been prepared on going concern basis under the historical cost convention on an accrual basis, in accordance with the generally accepted accounting principles in India and in compliance with the applicable accounting standards as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Companies Act 2013.

b) Basis of Preparation

The Consolidated Financial Statements are prepared in accordance with Accounting Standard 21 (AS 21) on Consolidated Financial Statements as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

c) Principles of Consolidation

The consolidated financial Statements comprise of the financial statements of holding company and its subsidiary companies. The accounting policies have been consistently applied by the Group. Subsidiary Companies acquired and held by the parent or its subsidiaries for disposal in the near future are excluded from the Consolidated Financial Statements.

The consolidated financial statements are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard 21 (AS 21) Consolidated Financial Statements as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

d) Goodwill/ Capital Reserve

The difference between the cost of investment in the subsidiaries and the net assets at the time of acquisition of shares in the subsidiaries is recognized in the consolidated financial statements as goodwill or capital reserve as the case may be. For this purpose, the Company's share of net worth is determined on the basis of the latest financial statements of such subsidiaries, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Goodwill and capital reserve are presented on net bases in financial statements.

The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its net assets as of the date of disposal is recognized in the consolidated statement of profit and loss being the profit or loss on disposal of investment in subsidiary.

e) Minority interest

Minority interest represents the amount of net assets attributable to minority shareholders at the date on which investment in a subsidiary is made and its share of movements in net assets since that date. Any excess consideration received from minority shareholders of subsidiaries over the amount of net assets attributable to the minority shareholders on the date of investment is reflected under reserves and surplus.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

f) Subsidiary companies included in consolidation

Name of subsidiaries	Country of incorporation	Year/period ended included In consolidation	Proportion of ownership interest
Lucina Infrastructure Limited	India	April 01, 2014 to March 31, 2015	100%
		April 01, 2013 to March 31, 2014	
Sentia Properties Limited	India	April 01, 2014 to March 31, 2015	100%
		April 01, 2013 to March 31, 2014	
Indiabulls Technology Solutions Limited	India	April 01, 2014 to July 10, 2014	100%
		April 01, 2013 to March 31, 2014	
Albasta Wholesale Services Limited	India	April 01, 2014 to March 31, 2015	100%
		April 01, 2013 to March 31, 2014	
Archalia Software Solutions Limited	India	April 01, 2014 to July 10, 2014	100%
		April 01, 2013 to March 31, 2014	
IB Technology Solutions, Inc	USA	April 01, 2014 to July 10, 2014	100%
		April 01, 2013 to March 31, 2014	
ITSL Holdings (Mauritius) Limited	Mauritius	April 01, 2014 to July 10, 2014	100%
		April 01, 2013 to March 31, 2014	
IB Technology (Proprietary) Limited	South Africa	April 01, 2014 to July 10, 2014	50.001%
		April 01, 2013 to March 31, 2014	
Store One Retail India Limited	India	April 01, 2014 to March 31, 2015	73.85%
		April 01, 2013 to March 31, 2014	
C-IB Technology Solutions (Pte.) Limited	Singapore	April 01, 2014 to July 10, 2014	51.00%
		September 30, 2013 to March 31, 2014	
Mahabala Infracon Private Limited	India	December 11, 2014 to March 31, 2015	100.00%
		N.A.	
Airmid Aviation Services Limited	India	December 23, 2014 to March 31, 2015	100.00%
		N.A.	

The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Holding Company for its standalone financial statements.

g) Additional Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

Name of the entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss	
	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss
Parent				
Indiabulls Wholesale Services Limited	196,587,259	3.67%	(20,174,505)	-11.31%
Indian Subsidiaries				
Lucina Infrastructure Limited	126,185,424	2.35%	(14,471)	-0.01%
Sentia Properties Limited	3,000,269,531	55.96%	(14,871)	-0.01%
Indiabulls Technology Solutions Limited	-	0.00%	(71,836,521)	-40.27%
Albasta Wholesale Services Limited	301,351,993	5.62%	(292,691)	-0.16%
Archalia Software Solutions Limited	-	0.00%	(7,470,205)	-4.19%

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Name of the entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss	
	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss
Store One Retail India Limited	1,887,335,484	35.20%	275,343,267	154.36%
Mahabala Infracon Private Limited	26,566,583	0.50%	(733,417)	-0.41%
Airmid Aviation Services Limited	(176,873,023)	-3.30%	(68,681,650)	-38.50%
Foreign Subsidiaries				
IB Technology Solutions, INC	-	0.00%	65,524,408	36.73%
ITSL Holdings (Mauritius) Limited	-	0.00%	(135,140)	-0.08%
IB Technology (Proprietary) Limited	-	0.00%	5,980,719	3.35%
C-IB Technology Solutions (Pte.) Limited	-	0.00%	-	0.00%
Minority Interests in all subsidiaries	-	0.00%	877,135	0.49%
Total	5,361,423,251	100.00%	178,372,057	100.00%

3. Significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities, if any, on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

b) Revenue recognition

Revenue from real estate project under development:

- i) Revenue from real estate development projects is recognized on the percentage of completion method. Revenue is recognized in the financial year in which the agreement to sell or application forms (containing salient terms of agreement to sell) is executed, on the percentage of completion method which is applied on a cumulative basis in each accounting year to the current estimate of contract revenue and related project costs, when the stage of completion of each project reaches a significant level which is estimated to be at least 25% of the total estimated construction cost of the respective projects. The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.
- ii) Revenue from sale of developed land and plots is recognized in the year in which the underlying sale deed is executed.

Revenue from trading goods and products:

- iii) Revenue from sale of goods/value added construction material is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods. The company collects all relevant applicable taxes etc. on behalf of the Statutory Authorities and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Revenue from services:

- iv) Revenue from equipment hiring services (including relevant manpower and supervision) is recognized when services is performed, usually on a time proportion basis as per the terms of the contract. The Company collects applicable taxes on behalf of Statutory Authorities and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

- v) Revenue from Facility Maintenance Services and other related activities are recognized pro-rata over the period of contract as and when services are rendered. The Company collects applicable taxes on behalf of Statutory Authorities and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.
- vi) Revenue from software services comprises income from time and material and fixed price contracts. Revenue with respect to time and material contracts is recognized as related services are performed. Revenue from fixed price contracts and fixed time frame contracts is recognized in accordance with the percentage completion method under which the sales value of performance, including earnings thereon, is recognized on the basis of cost incurred in respect of each contract as a proportion of total cost expected to be incurred. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses are made during the year in which a loss becomes probable based on current contract estimates. Revenue from annual technical service contracts is recognized on a pro rata basis over the period in which such services are rendered.
- vii) Revenue from air transportation services is recognised in the year in which the service has been rendered, and billed as per terms of contract / arrangements with customers, provided that collection is reasonably certain.
- viii) Advisory service income is recognized on an accrual basis.
- ix) Revenue from export of software services is recognized based on software developed and billed to clients as per the terms of specific contracts. In the case of fixed price contracts, revenue is recognized based on the milestones achieved as specified in the contracts or on the percentage of completion basis. Provision for estimated losses on incomplete contract is recorded in the period in which such losses become probable based on the current estimates. Revenues from product licenses and related revenues are recognized as follows:
 - License fees, on delivery and subsequent milestone schedule as per the terms of the contract with the end user.
 - Product maintenance revenues, over the period of the maintenance contract.

Other revenue:

- x) Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.
- xi) Dividend income is recognized when the right to receive payment is established, at the balance sheet date.
- xii) Profit on sale of investment is recognized on the date of its sale and is computed as excess of sale proceeds over its carrying amount as at the date of sale.
- xiii) Interest on delayed receipts, cancellation / forfeiture and transfer fees from customers is recognized, as per revenue recognition principles laid down in Accounting Standard - 9 on "Revenue Recognition", when certainty of its collection is established.

c) Inventories

Real estate project under development:

- i) Land other than that transferred to real estate projects under development is valued at lower of cost or net realizable value.
- ii) Real estate project under development includes cost of land under development, internal and external development costs, constructions costs and development/ construction materials, borrowing costs and related overheads costs and is valued at lower of cost or net realizable value.
- iii) Construction materials, stores and spares, tools and consumable are valued at lower of cost or net realizable value, on the basis of first-in first-out method.

Trading goods and products:

- iv) Inventories are valued at cost or net realizable value, whichever is lower. Cost of inventories is determined using the weighted average cost method and includes purchase price, and all direct costs incurred in bringing the inventories to their present location and condition.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

d) Provision for shrinkages and shortages

Provisions for shrinkages and shortages are charged to the statement of profit and loss based on historical data and management estimates. Actual shrinkages and shortages are adjusted against such provisions.

e) Fixed assets

Recognition and measurement

Tangible fixed assets are stated at cost; net of tax or duty credits availed, less accumulated depreciation and impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

Intangible assets are stated at cost, net of tax or duty credits availed, less accumulated amortization and impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition.

Depreciation and Amortization

Till the year ended March 31, 2014, depreciation rates prescribed under Schedule XIV of Companies act, 1956 were used for charging depreciation. With effect from current year, schedule XIV has been replaced by Schedule II of Companies Act, 2013. Schedule II of Companies Act, 2013 prescribed the useful lives of fixed asset which, in many cases, are different from lives prescribed under Schedule XIV.

Depreciation on fixed assets is provided on the straight-line method, computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013, on a pro-rata basis from the date the asset is ready to put to use subject to transitional provisions of Schedule II

Intangible assets are amortized over the expected useful life from the date the assets are available for use, as mentioned below:

Description of asset : Computer software

Estimated life : 4 years

Capital work-in-progress

Costs of fixed assets under construction are disclosed under capital work-in-progress. Advances paid towards acquisition or construction of fixed assets or intangible assets is included as capital advances under long term loans and advances.

f) Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets in accordance with notified Accounting Standard 16 "Borrowing costs". A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

g) Investments

Investments are classified as non-current or current investments, based on management's intention. Investments that are readily realizable and intended to be held not more than a year are classified as current investments. All other investments are classified as non-current investments.

Current investments are stated at lower of cost and fair value determined on an individual investment basis. Non-current investments are stated at cost less provision for diminution in their value, other than temporary, if made in the financial statements.

h) Impairment of assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

i) Employee benefits

The Group's contribution to provident fund and employee state insurance schemes is charged to the statement of profit and loss or inventorized as a part of real estate project under development, as the case may be. The Company's contributions towards Provident Fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan.

The Group has unfunded gratuity (defined benefit plan) and compensated absences for its employees, the liability for which is determined on the basis of actuarial valuation, conducted annually, by an independent actuary using projected unit credit method, in accordance with notified Accounting Standard 15 (Revised 2005) – 'Employee Benefits'. Actuarial gains and losses are either recognized in the statement of profit and loss or inventorized as a part of real estate project under development, as the case may be.

Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

j) Stock based compensation

Stock based compensation expense are recognized in accordance with the guidance note on 'Accounting for employee share based payments' issued by the Institute of Chartered Accountants of India, which establishes financial accounting and reporting principles for employee share based payment plans. Employee stock compensation costs are measured based on intrinsic value of the stock options on the grant date. The compensation expense is amortized over the vesting period of the options.

k) Leases

Lease payments under operating leases are recognised as expense in the Statement of Profit and Loss over the lease term.

l) Foreign currency transactions

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the exchange rate between the reporting currency and the foreign currency at the date of the transaction to the foreign currency amount.

Conversion

Foreign currency monetary items are converted to reporting currency using the closing rate. Non monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Differences

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise except those arising from investments in non-integral operations.

Exchange differences arising on monetary items that in substance forms part of the Company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognized in the statement of profit and loss.

Translation of non-integral operation

In respect of non-integral operation, assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. The items in the statement of profit and loss are translated at the average exchange rate during the year. The differences arising out of the translation are transferred to foreign currency translation reserve, in the balance sheet until the disposal of the net investments at which time they are recognized as income or as expenses.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

m) Taxes on income

Current tax

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonable certain that normal income tax will be paid during the specified period.

Deferred tax

Deferred tax resulting from timing differences between taxable income and accounting income is accounted for at the current rate of tax or substantively enacted tax rates as at reporting date, to the extent that the timing differences are expected to crystallize.

Deferred tax assets are recognized where realization is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that such deferred tax assets will be realized. Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each reporting date.

n) Provisions and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or,
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

o) Earnings per equity share

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

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

p) Share issue/buyback expenses

Share issue/buyback expenses are adjusted against securities premium account to the extent of balance available and thereafter, the balance portion is charged off to the statement of profit and loss, as incurred.

q) Preliminary expenses

Preliminary expenses are adjusted against securities premium account (net of tax) to the extent of balance available and thereafter, the balance portion is charged off to the statement of profit and loss, as incurred.

r) Segment reporting

The group identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/ loss amounts are evaluated regularly by the executive management in performance assessment and decision making with regards to resource allocation.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 4

SHARE CAPITAL

	As at March 31, 2015		As at March 31, 2014	
	No. of shares		No. of shares	
(i) Authorised				
Equity shares of ₹ 2 each	400,000,000	800,000,000	400,000,000	800,000,000
Preference shares of ₹ 10 each	30,000,000	300,000,000	30,000,000	300,000,000
		1,100,000,000		1,100,000,000
(ii) Issued, subscribed and paid up				
Equity shares of face value of ₹ 2 each fully paid up				
Balance at the beginning of the year	50,561,793	101,123,586	50,285,093	100,570,186
Add: Issued during the year	156,700	313,400	276,700	553,400
Total of equity share capital	50,718,493	101,436,986	50,561,793	101,123,586
9% Redeemable non-cumulative, non-convertible preference share of face value of ₹ 10 each				
Balance at the beginning of the year	2,517,700	25,177,000	2,517,700	25,177,000
Add: Issued during the year	—	—	—	—
Total of preference share capital	2,517,700	25,177,000	2,517,700	25,177,000
Total of share capital		126,613,986		126,300,586

(iii) Rights, preferences and restrictions attached to shares

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. The holders of preference shares are entitled to receive dividends, but do not carry the right to vote. All shares rank equally with regard to the Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

(iv) Shares allotted as fully paid up, without payments received in cash

A scheme of arrangement between Indiabulls Real Estate Limited and the company and their respective shareholders and creditors under Sections 391 – 394 of the Companies Act, 1956, was sanctioned by the Hon'ble High Court of Delhi at New Delhi on March 3, 2011, pursuant to which the company has allotted one (1) equity share of face value of ₹ 2 each credited as fully paid-up for every eight (8) equity share of face value of ₹ 2 each held by such shareholders in Indiabulls Real Estate Limited.

(v) Details of shareholder holding more than 5% share capital in the Company

	As at March 31, 2015
Name of the equity shareholders	Number of shares
Jyeshta Infrastructure Private Limited	8,330,412
Kritikka Infrastructure Private Limited	6,965,763
Name of the preference shareholders	Number of shares
Indiabulls Real Estate Limited	2,517,700

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

	As at March 31, 2014
Name of the equity shareholders	Number of shares
Jyeshta Infrastructure Private Limited	3,330,412
Kritikka Infrastructure Private Limited	6,965,763
Yantra Energetics Private Limited	4,633,144
Gragerious Projects Private Limited	5,089,982
Name of the preference shareholders	Number of shares
Indiabulls Real Estate Limited	2,517,700

(vi) Details of number of equity share reserved for issuance under contracts or options

	As at March 31, 2015	As at March 31, 2014
Employee stock option scheme (Refer Note No. 26)	-	3,135,300

Note - 5 RESERVES AND SURPLUS

	As at March 31, 2015		As at March 31, 2014	
Capital reserve		94,248,700		94,248,700
General reserve		5,014,971,517		5,014,971,517
Securities premium				
Balance as at the beginning of the year	2,494,434,496		2,492,523,000	
Add : Issue of equity share capital	1,025,696	2,495,460,192	1,911,496	2,494,434,496
Foreign currency translation reserve				
Balance as at the beginning of the year	1,250,128		80,859	
Add : Foreign exchange translations	(1,250,128)	—	1,169,269	1,250,128
Surplus in the Statement of Profit and Loss				
Balance as at the beginning of the year	955,889,575		529,063,496	
Less: Adjustments- disposal of Subsidiary	(33,688,415)		—	
Less: Adjustment due to depreciation*	(2,685,059)		—	
Add: Profit for the year	177,494,923		429,338,722	
	1,097,011,024		958,402,219	
Less: Appropriations				
Proposed dividend on equity shares and corporate dividend tax thereon	—		140,700	
Proposed dividend on preference shares and corporate dividend tax thereon	3,417,090	1,093,593,934	2,371,944	955,889,575
Total of reserves and surplus		8,698,274,343		8,560,794,416

* Impact of transitional provision provided in Note 7(b) of Schedule II of Companies Act 2013

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 6 BORROWINGS

	As at March 31, 2015		As at March 31, 2014	
Long- term borrowings				
Secured				
Term loans from banks and others	622,238,299		195,876,553	
Less: Current maturities of term loan from banks and others	(236,128,646)	386,109,653	(65,480,964)	130,395,589
Unsecured				
Loans from others		80,000,000		1,765,084
Total of long- term borrowings		466,109,653		132,160,673

Repayment terms and security for the outstanding long term borrowings

Name of the lender	Loan outstanding	Rate of interest	Repayment terms	Nature of Security
SREI Equipment Finance Private Limited	16,809,928	12.00%	35 equated monthly installment from date of disbursal.	Secured by Hypothecation of Assets being financed and corporate guarantee given by Indiabulls Wholesale Services Limited
	38,216,190			
Kotak Mahindra Bank Limited	54,178,023	12.00% to 12.91%	47 equated monthly installment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	76,317,254			
ICICI Bank Limited	85,165,105	10.92% to 12.23%	47 equated monthly installment from date of disbursal.	Secured by Hypothecation of Assets being financed and corporate guarantee given by Indiabulls Wholesale Services Limited
	81,343,109			
HDFC Bank Limited	155,202,624	11.50%	35 equated monthly installment from date of disbursal.	Secured by Hypothecation of Assets being financed.
	—			
Axis Bank Limited	92,453,695	11.50%	47 equated monthly installment from date of disbursal.	Secured by Hypothecation of Assets being financed and corporate guarantee given by Indiabulls Wholesale Services Limited
	—			
Reliance Capital Limited	218,428,924	12.75%	35 equated monthly installment from date of disbursal.	Secured by Hypothecation of Assets being financed and corporate guarantee given by Indiabulls Wholesale Services Limited
	—			
Dinamic Visual Technology (Proprietary) Limited	—	Nil	Loan is repayable after 1 year from the date of disbursal.	Unsecured
	1,765,084			
Indiabulls Distribution Services Limited	80,000,000	12.00%	Loan is repayable after 1 year from the date of disbursal.	Unsecured
	—			
TOTAL	702,238,299			
	197,641,637			

*Previous year figures are shown in Italics.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 6

BORROWINGS (contd.)

	As at March 31, 2015	As at March 31, 2014
Short- term borrowings		
Secured		
Term loan from bank*	970,000,000	—
Cash credit facility from bank**	—	91,906,936
Unsecured		
Loan from others	1,233,000,000	—
Total of short- term borrowings	2,203,000,000	91,906,936

* Term loan is taken from Ratnakar Bank Limited on interest rate @ 11.35% and secured against aircrafts of the company and exclusive charge over the present and future current assets of the borrower including book debts, receivables, escrow account, cash and bank, loans and advances etc.

** Loan from bank is secured against First charge on the entire current assets and movable fixed assets of Indiabulls Technology Solutions Limited, both present and future.

Note - 7

OTHER LONG TERM LIABILITIES

	As at March 31, 2015	As at March 31, 2014
OTHER LONG TERM LIABILITIES		
Security deposits	100,000,000	-
Total of other long term liabilities	100,000,000	-
OTHER CURRENT LIABILITIES		
Advance from customers	75,426,116	95,625,327
Current maturities of secured term loan- from banks & others	236,128,646	65,480,964
Expenses payable	57,738,262	177,281,620
Interest accrued but not due	35,594,885	-
Payable to statutory or government authorities	19,468,533	18,542,176
Security deposits	20,000	120,020,000
Unpaid dividend on equity shares*	147,963	148,011
Other liabilities	16,920,370	9,421,498
Total of other current liabilities	441,444,776	486,519,596

* In respect of amounts mentioned under Section 205C of the Companies Act, 1956, there were no dues required to be credited to the Investor Education and Protection Fund as on March 31, 2015.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 8 PROVISIONS

	As at March 31, 2015		As at March 31, 2014	
Long-term provisions				
Provision for employee benefits				
For gratuity	9,702,811		22,044,867	
For compensated absences	4,097,856	13,800,667	6,481,651	28,526,518
Total of long- term provisions		13,800,667		28,526,518
Short-term provisions				
Provision for employee benefits				
For gratuity	244,262		618,428	
For compensated absences	556,408	800,670	300,975	919,403
Provision for income tax [Net of advance income tax and tax deducted at source]		42,767,613		20,052,273
Proposed dividend on preference shares		2,265,930		2,265,930
Corporate dividend tax thereon		999,129		385,095
Total of short- term provisions		46,833,342		23,622,701

Note - 9 TRADE PAYABLES

	As at March 31, 2015	As at March 31, 2014
Due to micro and small enterprises*	-	1,175,737
Due to others	251,884,151	308,105,310
Retention money payable	518,394	724,369
Total of trade payables	252,402,545	310,005,416

*Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):

		Amount (₹)
i	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil
ii	the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil
iii	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil
iv	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil
v	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil

The above information regarding micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 10 FIXED ASSETS

Particulars	Gross Block (at Cost)				Accumulated Depreciation / Amortisation			Net Block	
	As at April 1, 2014	Additions during the year	Sales during the year	Forex Adjustment	As at March 31, 2015	Depreciation for the year	Sales during the year	Forex Adjustment	As at March 31, 2015
A. Tangible Assets									
Land-Leasehold	-	6,176,000	-	-	6,176,000	129,211	-	-	6,046,789
Building- Temporary Structure	212,754	251,483	-	-	464,237	167,656	-	-	83,827
Plant & Equipment	1,281,986,418	456,499,300	15,206,326	-	1,723,279,393	101,387,257	1,824,156	-	1,503,163,300
Office Equipment	16,514,438	4,094,077	13,980,602	(58)	6,627,855	3,948,700	2,378,430	509	2,566,847
Computers	145,557,872	3,190,670	70,016,641	(314)	78,741,587	8,024,092	19,749,100	306	1,005,011
Furniture and Fixtures	218,283,660	2,166,668	14,843,619	(255)	205,606,454	20,755,158	3,173,339	406	93,808,157
Vehicles	64,827,374	2,828,332	5,801,008	-	61,854,698	8,927,500	2,126,830	-	35,045,221
Aircrafts	-	2,598,491,053	-	-	2,598,491,053	806,264,078	-	-	1,792,226,975
Total of Tangible Assets (A)	1,777,392,516	3,073,697,583	119,848,197	(627)	4,681,241,277	949,603,652	29,251,854	1,220	3,483,946,127
B. Intangible Assets									
Computer Software	143,701,184	107,566	3,634,123	(13)	140,174,614	239,420	1,411,297	29	74,668
Goodwill	63,175,153	-	63,097,965	(77,188)	-	3,536,236	14,222,079	(52,233)	-
Total of Intangible Assets (B)	206,876,337	107,566	66,732,088	(77,201)	140,174,614	3,775,656	15,633,376	(52,204)	74,668
C. Capital Work in Progress									
	-	62,590,800	-	-	62,590,800	-	-	-	62,590,800
Total of Fixed Assets (A+B+C)	1,984,268,853	3,136,395,949	186,580,285	(77,828)	4,884,006,691	953,379,308	44,885,230	(50,983)	3,496,611,595
Previous Year	1,182,999,533	847,336,163	96,689,819	410,222	1,984,056,099	103,434,309	52,112,456	15,978	1,455,316,850

Effective from April 01, 2014, the Company has started providing depreciation based on the revised useful life of the assets as per the requirement of schedule II of the Companies Act, 2013. Due to this, depreciation charge for the year ended March 31, 2015, is higher by ₹ 32,697,126. Further, based on transitional provision provided in Note 7 (b) of Schedule II, the carrying value of assets amounting to ₹ 2,685,059 which has completed its depreciation period as on April 01, 2014 has been charged to the opening balance of retained earnings as on that date.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 11

LOANS AND ADVANCES

	As at March 31, 2015		As at March 31, 2014	
Long-term loans and advances				
(Unsecured, considered good)				
Capital Advance		2,386,549		13,094,630
Prepaid expenses		34,538		134,407
Security deposits- premises		-		14,934,207
Security deposits others		443,314,437		2,632,515
(Unsecured, considered doubtful)				
Security deposits- others	155,530,001		155,530,001	
Less: Provision against doubtful advances	(155,530,001)	-	(155,530,001)	-
Total of Long term loans and advances		445,735,524		30,795,759
Short-term loans and advances				
(Unsecured, considered good)				
Advance income tax, including tax deducted at source, net of provision for tax		207,930,254		130,950,609
Advance to employees		4,966,756		6,287,287
Advance to material / service providers		23,178,423		345,188,427
Balances with statutory/ government authorities		46,144,610		74,261,749
Earnest money deposit		-		707,340
MAT credit entitlement		2,513,063		2,508,979
Mobilization advances		-		2,639,520
Other advances		3,145,000,000		3,145,000,000
Other receivables		87,559		204,938
Prepaid expenses		7,592,086		10,663,627
Security deposits others		380,320,000		120,000
		3,817,732,751		3,718,532,476
(Unsecured, considered doubtful)				
Advance to material / service providers	135,914,721		135,914,721	
Other receivables	1,013,429		1,013,429	
Less: Provision against doubtful debts	(136,928,150)	-	(136,928,150)	-
Total of short term loans and advances		3,817,732,751		3,718,532,476

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 12

OTHER NON CURRENT ASSETS

	As at March 31, 2015	As at March 31, 2014
Other bank balances- in fixed deposit accounts with maturing beyond 12 months (Refer Note 15)	200,000	1,313,780
Security deposits- others	-	175,195
Total of other non current assets	200,000	1,488,975
OTHER CURRENT ASSETS (Unsecured, considered good)		
Interest accrued on		
Fixed deposit accounts	67,352	165,818
Loans and advances	5,852,978	6,064,596
Unbilled debtors	74,615,502	149,365,672
Total of other current assets	80,535,832	155,596,086

Note - 13

INVENTORIES

	As at March 31, 2015	As at March 31, 2014
Real estate project under development (at cost)		
Land	585,180,530	585,180,530
License and other regulatory fees	21,691,552	20,719,512
Cost of material, construction services and other overheads	1,095,607,040	1,042,138,359
	1,702,479,122	1,648,038,401
Less: cost of sale recognised till date	(1,562,859,881)	(1,257,575,340)
	139,619,241	390,463,061
Trading goods and others:		
Stores and spares	3,865,111	1,716,768
Stock-in-trade	17,443,204	420,647
	21,308,315	2,137,415
Total of inventories	160,927,556	392,600,476

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 14

TRADE RECEIVABLE

	As at March 31, 2015		As at March 31, 2014	
(Unsecured, considered good)				
Debts outstanding for a period exceeding six months		81,335,936		72,032,738
Other debts		681,658,573		572,926,693
(Unsecured, considered doubtful)				
Debts outstanding for a period exceeding six months	-		1,106,105	
Less: Provision for doubtful debts	-	-	(1,106,105)	-
Total of trade receivables		762,994,509		644,959,431

Note - 15

CASH AND BANK BALANCES

	As at March 31, 2015		As at March 31, 2014	
Cash and cash equivalents				
Cash on hand		1,909,309		351,157
Foreign currency on hand		181,368		101,059
Balances with banks				
In current accounts	48,325,721		121,248,855	
In fixed deposit accounts with maturity of upto 3 months	20,000,000		3,230,000	
In unclaimed dividend accounts	147,963	68,473,684	148,011	124,626,866
Other bank balances				
In fixed deposit accounts with maturity of more than 3 months	1,538,320		1,538,320	
In fixed deposit accounts maturing beyond 12 months	200,000		1,313,780	
Less: non-current bank balances in fixed deposit accounts	(200,000)	1,538,320	(1,313,780)	1,538,320
Total of cash and bank balances		72,102,681		126,617,402

Fixed deposit with bank of ₹ 200,000 (previous year: ₹ 1,493,780) is pledged for the guarantee provided by the bank and ₹ 20,000,000 (previous year: ₹ Nil) is under lien with bank against the term loan taken from the bank.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 16

REVENUE FROM OPERATIONS

	For the year ended March 31, 2015		For the year ended March 31, 2014	
Revenue from real estate project under development		359,141,650		427,316,296
Revenue from services				
Air transportation services	57,736,090		-	
Equipment hiring services	532,829,187		422,540,622	
Facility maintenance and other related activities	758,568,485		670,300,061	
Information technology solutions	300,087,521		1,146,456,935	
Pilot hiring income	100,000		-	
Tour and travel services	40,268	1,649,361,551	20,059,659	2,259,357,277
Revenue from sale of trading goods and products		52,094,673		67,394,022
Revenue from sale of construction materials		-		3,182,694
Other operating revenue		12,848,229		4,577,568
Total of revenue from operations		2,073,446,103		2,761,827,857

Note - 17

OTHER INCOME

	For the year ended March 31, 2015		For the year ended March 31, 2014	
Dividend income on units of mutual funds		5,868,826		5,459,842
Foreign exchange gain				
realized	1,333,742		3,592,120	
unrealized	-	1,333,742	829,022	4,421,142
Interest income on fixed deposit receipts		676,285		1,201,179
Interest - others		988,066		3,091,604
Income on job work		-		9,917,754
Liabilities written back		61,540		40,353,318
Net gain on sale of units of mutual funds		-		609,213
Miscellaneous income		1,103,080		394,778
Total of other income		10,031,539		65,448,830

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 18

COST OF SALES

	For the year ended March 31, 2015		For the year ended March 31, 2014	
For real estate project under development and construction				
Cost incurred during the year		54,554,445		127,921,164
Increase in real estate project under development				
Opening stock	390,463,061		564,442,062	
Less: Closing stock	(139,619,241)	250,843,820	(390,463,061)	173,979,001
For trading goods and products				
Purchase of stock in trade		22,237,180		18,792,238
Increase/(decrease) in inventory of stock-in-trade, net				
Opening stock	420,647		5,519,076	
Less: Closing stock	(17,443,204)	(17,022,557)	(420,647)	5,098,429
Total of cost of sales		310,612,888		325,790,832

Note - 19

EMPLOYEE BENEFIT EXPENSES

	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries and wages	313,530,916	796,593,379
Contribution to provident fund and other funds	5,241,314	15,122,810
Staff welfare expenses	6,148,496	14,726,150
Total of employee benefit expenses	324,920,726	826,442,339

Note - 20

FINANCE COSTS

	For the year ended March 31, 2015		For the year ended March 31, 2014	
Interest expenses on				
loans and advances	118,614,299		23,035,346	
optionally convertible debentures	402		-	
taxation	1,292,956		36,678	
others	266,370	120,174,027	2,698	23,074,722
Other borrowing cost		10,164,669		1,007,951
Total of finance costs		130,338,696		24,082,673

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 21

OTHER EXPENSES

	For the year ended March 31, 2015		For the year ended March 31, 2014	
Advertisement and sales promotion		3,420,697		9,697,039
Auditors' remuneration		4,274,974		4,355,645
Bad debts/ balances written off		72,008		2,623,462
Bank Charges		986,701		57,265
Common area maintenance, electricity & water charges		21,282,900		26,137,304
Communication expenses		4,824,075		13,679,556
Corporate social responsibility expenses		7,845,391		-
Foreign exchange loss		2,146,185		327,758
Insurance expenses		6,939,579		7,326,308
Labour charges		38,332,147		36,704,088
Legal and professional charges		64,234,416		227,763,302
Loss on sale/ disposal of fixed assets		5,741,574		43,328,049
Miscellaneous expenses		1,162,407		739,516
Office expenses		954,458		1,074,053
Plant & machinery operating expenses		129,100,031		86,921,888
Power and fuel expenses		10,875,607		3,975,278
Preliminary expenses		7,450		141,986
Printing and stationery		1,928,960		3,119,934
Provision for debts & advances		-		75,072,955
Rates and taxes		13,598,326		9,538,533
Recruitment expenses		2,048,742		8,880,051
Rent expenses (Refer Note - 27)		21,836,138		45,710,478
Repairs and maintenance				
– Buildings	435,697,681		234,945,157	
– Plant and equipments	66,080,563		53,201,593	
– Vehicles	149,148		264,776	
– Others	10,520,723	512,448,115	22,337,227	310,748,753
Brokerage and marketing expenses		16,387,636		27,223,936
Customer incentive and other charges		9,702,641		9,368,683
Security expenses		51,902,288		52,453,255
Software expenses		588,044		1,888,665
Subscription fees		1,946,267		615,392
Tour and travel expenses		171,263		22,818,199
Travelling and conveyance expenses		17,151,717		41,646,507
Aircraft maintenance charges		30,479,992		-
Crew accommodation charges		1,674,505		-
Landing and handling charges		9,354,873		-

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

	For the year ended March 31, 2015	For the year ended March 31, 2014
Navigation and flight planning charges	1,301,196	-
Catering expenses	914,148	-
Hire charges	118,333	-
Training expenses	1,040,995	-
Total of other expenses	996,794,779	1,073,937,838

22. Employee benefits (non funded)

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

	Gratuity benefits		Compensated absence	
	For the year ended March 31,		For the year ended March	
	2015	2014	2015	2014
Service cost	3,282,615	6,499,983	1,304,539	2,472,456
Interest cost	548,867	1,545,857	303,490	480,309
Obligation transferred from company	-	(209,597)	-	(75,082)
Actuarial (gain)/ loss, net	637,402	(1,568,684)	(522,164)	(902,466)
Cost recognized during the year	4,468,884	6,267,559	1,085,865	1,975,217

Movement in the liability recognised in the balance sheet is as under:

	Gratuity benefits		Compensated absence	
	For the year ended March 31,		For the year ended March	
	2015	2014	2015	2014
Obligation at the beginning of the year	22,663,295	19,323,214	6,782,626	6,070,307
Obligation on account of consolidation of subsidiary	(17,012,250)	-	(3,163,681)	-
Benefits transferred from company	-	209,597	-	75,082
Benefits paid during the year	(172,856)	(3,137,075)	(50,546)	(1,337,980)
Cost recognized during the year	4,468,884	6,267,559	1,085,865	1,975,217
Obligation at the end of the year	9,947,073	22,663,295	4,654,264	6,782,626

For determination of the liability of the Company, the following actuarial assumptions were used:

	For the year ended March 31, 2015	For the year ended March 31, 2014
Discount rate	7.75%	8.50%
Salary escalation rate	5.00%	5.00%
Mortality table	IALM (2006 - 08)	IALM (2006 - 08)

23. Income Tax

Current tax

Current tax for the year includes earlier year tax adjustments of ₹ 10,482,547 (previous year: ₹ 17,863). The group has recognized the MAT credit entitlement of ₹ 4,084 (previous year: ₹ 199,505) considering that there is convincing evidence that the group will pay normal income tax during the specified period as per section 115JAA of Income Tax Act, 1956.

Deferred tax

In compliance with Accounting Standard 22 (AS 22) – 'Accounting for taxes on income', as notified under the Companies (Accounting Standards) Rules, 2006, as amended, the Group had recognized deferred tax credit (net) of ₹ 43,872,566 (previous year: charge of ₹ 13,666,272) in the statement of profit and loss.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

The breakup of deferred tax liability as into major components is as under:

Particulars	As at March 31, 2015	As at March 31, 2014
Deferred tax liability arising on account of :		
Depreciation	-	(10,018,140)
Total of deferred tax liability	-	(10,018,140)
Deferred tax asset arising on account of :	-	
Provision for compensated absences and gratuity	-	4,273,518
Accumulated losses	-	4,710,906
Preliminary expenses	-	3,245
Provision for doubtful debts	-	358,876
Total of deferred tax asset	-	9,346,545
Deferred tax liability, net	-	(671,595)

The breakup of deferred tax assets as into major components is as under:

Particulars	As at March 31, 2015	As at March 31, 2014
Deferred tax liability arising on account of :		
Depreciation	-	(543,844)
Total of deferred tax liability	-	(543,844)
Deferred tax asset arising on account of :		
Accumulated losses	47,832,516	914,568
Provision for compensated absences and gratuity	118,743	730,583
Demerger expenses	66,300	139,229
Depreciation	156,227	-
Total of deferred tax asset	48,173,786	1,784,380
Deferred tax asset, net	48,173,786	1,240,536

24. Segment Reporting

a) Primary segment information:

Particulars	Trading	Real estate project under development	Information technology solutions	Facility maintenance and other related activities	Equipment hiring services	Aviation Services	Elimination	Total
SEGMENT REVENUE								
Revenue from external customers	-	371,989,879	301,389,916	736,973,019	532,829,188	57,872,104	-	2,001,054,106
	18,719,132	431,893,864	1,150,049,055	670,300,060	422,540,621	-	-	2,693,502,732
Inter - segment revenue	-	-	71,583,282	-	150,000	30,934,000	(102,667,282)	-
	-	-	210,989,275	20,400	600,000	-	(211,609,675)	-
Total Segmental revenue	-	371,989,879	372,973,198	736,973,019	532,979,188	88,806,104	(102,667,282)	2,001,054,106
	18,719,132	431,893,864	1,361,038,330	670,320,460	423,140,621	-	(211,609,675)	2,693,502,732
Add: Unallocated revenue								80,929,503
								129,481,171
Total revenue								2,081,983,609
								2,822,983,903

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Particulars	Trading	Real estate project under development	Information technology solutions	Facility maintenance and other related activities	Equipment hiring services	Aviation Services	Elimination	Total
SEGMENT RESULT								
Segment result	-	21,319,861	(7,514,232)	168,461,979	178,114,439	(62,183,997)	-	298,198,051
	(466,974)	67,937,220	46,043,142	223,289,867	262,005,954	-	-	598,809,209
Add: Unallocated income net of unallocated expenses								(21,711,765)
								(105,491,449)
Add: Interest income								1,494,034
								4,292,783
Less: Interest expense								130,338,694
								24,082,673
Less: Income taxes								(30,730,431)
								41,836,618
Net profit after taxes								178,372,057
								431,691,252
SEGMENT ASSETS	26,637,819	3,744,351,386	-	718,581,151	1,872,517,421	2,053,844,939	(34,138,763)	8,381,793,953
	7,957,038	4,126,383,385	457,159,915	148,320,171	1,397,137,478	-	-	6,136,957,987
Unallocated corporate assets								503,220,283
								390,476,686
Total assets								8,885,014,236
								6,527,434,673
SEGMENT LIABILITIES	60,000	84,979,023	-	122,236,123	54,210,487	147,746,986	(34,138,763)	375,093,856
	-	111,759,530	102,212,015	147,128,048	25,361,135	-	-	386,460,728
Unallocated corporate liabilities								3,148,497,125
								687,239,390
Total liabilities								3,523,590,981
								1,073,700,118
Capital expenditure during the year to acquire tangible & intangible fixed assets including capital advances	-	145,786	5,284,587	-	2,386,549	62,669,400	-	70,486,322
	-	89,400	91,349,753	-	13,094,630	-	-	104,533,783
Depreciation and amortisation provided during the year	-	3,692,437	10,077,488	2,181,282	100,240,524	34,216,988	-	150,408,719
	-	2,332,028	23,237,553	854,518	51,107,600	-	-	77,531,699
Significant non-cash expenses, other than depreciation and amortization	-	-	-	-	-	-	-	-
	-	1,423,103	6,675,326	-	-	-	-	8,098,429

- a) The group has determined the following business segments as the primary segments for disclosure:
- Trading
 - Real estate project under development
 - Information technology solutions
 - Facility maintenance and other related activities
 - Equipment hiring services
 - Aviation Services
- b) Segment revenue, results and assets include amounts identifiable to each segment and amounts allocated on a reasonable basis.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

- c) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information as disclosed in Significant Accounting Policies above.
- d) Previous year figures are stated in italics.

b) Secondary segment information:

The group is primarily operating in India which is considered as a single geographical segment.

25. Earnings per equity share

Basic earnings per equity share are computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share are computed using the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. 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 diluted equity shares are adjusted for stock split, bonus shares and the potential dilutive effect of employee stock option plans as appropriate.

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Profit after tax	178,372,058	431,691,252
Less:- Dividend on preference share including corporate dividend tax	(3,417,090)	(2,651,025)
Less: Share of minority interest	(877,135)	(2,352,530)
Profit attributable to equity shareholders	174,077,833	426,687,697
Weighted average number of shares used in computing basic earnings per equity share	50,656,672	50,469,283
Add: Potential number of equity shares on exercise of ESOPs	351,982	1,466,877
Weighted average number of shares used in computing diluted earnings per equity share	51,008,653	51,936,160
Face value per equity share	2	2
Basic earnings per equity share	3.44	8.45
Diluted earnings per equity share	3.41	8.21

26. Employee Stock Option Schemes

During the year ended March 31, 2012, the Board of Directors and Shareholders of the Company have given their consent to create, issue, offer and allot, to the eligible employees of the Company and its Subsidiary Companies, stock options not exceeding 5,000,000 in number, representing 5,000,000 Equity shares of face value of ₹ 2 each of the Company, accordingly the Indiabulls Wholesale Services Limited Employee Stock Option Scheme - 2011 ("IBWSL ESOP - 2011") has been formed. As per the scheme Exercise Price will be the market price of the equity shares of the Company, being the latest available closing price, prior to the date of grant or as may be decided by the Board or Compensation Committee. These options vest uniformly over a period of 10 years, commencing one year after the date of grant. The stock option under each of the slabs, are exercisable by the option holder within a period of five years from the relevant vesting date.

The Compensation Committee of the Board of Directors of the Company has granted stock options as detailed in below table.

Grant date of options	Number of options granted	Vesting date of options
28-Feb-12	1,257,000	01-Mar-13
29-Mar-12	650,000	30-Mar-13
10-Jul-12	150,000	11-Jul-13
17-Sep-12	850,000	18-Sep-13
02-Feb-13	160,000	03-Feb-14
22-Feb-13	150,000	23-Feb-14

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Grant date of options	Number of options granted	Vesting date of options
09-May-13	250,000	10-May-14
01-Oct-13	400,000	02-Oct-14
31-Oct-13	190,000	01-Nov-14
14-Apr-14	40,000	15-Apr-15

The Company follows the Intrinsic Value method of accounting as prescribed in the Guidance Note on Accounting for Employees Share Based Payments ("Guidance Note"), issued by the Institute of Chartered Accountants of India. Since, on the date of grant, the intrinsic value of the options granted was equal to the exercise price, no deferred employee stock compensation cost has been recorded in the financial statements. The fair value of the options under IWSL ESOS -2011 using the Black-Scholes model, based on the following parameters, is as below, as certified by an independent firm of chartered accountants.

Particulars	IWSL ESOS – 2011								
Grant date of options	28-Feb-12	29-Mar-12	17-Sep-12	2-Feb-13	22-Feb-13	9-May-13	1-Oct-13	31-Oct-13	14-Apr-14
Fair value of option at grant date (₹ per option)	2.49	2.13	0.82	2.45	1.46	1.81	2.65	3.69	4.07
Exercise price (₹ per option)	8.28	7.80	9.10	15.05	12.45	13.65	15.00	17.90	19.10
Expected volatility	21.08%	20.92%	20.43%	19.71%	19.65%	19.61%	20.33%	20.20%	20.02%
Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Option life (Weighted average)	8 Years	8 Years	8 Years	8 Years	8 Years	8 Years	8 Years	8 Years	8 Years
Expected dividend yield	3.26%	3.57%	9.78%	5.98%	7.38%	6.80%	6.19%	5.19%	4.94%
Risk free rate of Interest	8.31%	8.60%	8.16%	7.90%	7.87%	7.51%	8.83%	8.60%	9.02%

The table below provides pro forma disclosures for the impact on the Company's net (loss)/ profit after taxes and basic and diluted earnings per share, had the compensation cost for the stock options granted under IWSL ESOS- 2011 been determined using the fair value method as prescribed in the Guidance Note.

Particulars	For the year ended March 31, 2015		For the year ended March 31, 2014	
	As reported	Pro forma	As reported	Pro forma
Net profit/(loss) available to Equity Shareholders (as reported)	174,077,833	174,077,833	426,687,697	426,687,697
Less : Stock-based employee compensation expense determined using the fair value method for the year: Total Stock-based employee compensation expense recognizable over the vesting period of the options [Gross: Nil (previous year ₹ 8,221,993) (pro forma)]	-	-	-	1,724,976
Net (loss)/ profit considered for computing EPS (pro forma)	174,077,833	174,077,833	426,687,697	424,962,721
Basic earnings per share	3.44	3.44	8.45	8.42
Diluted earnings per share	3.41	3.41	8.21	8.18

During the current year ended March 31, 2015, all the outstanding options of the company under 'Indiabulls Wholesale Services Limited Employee Stock Option Scheme- 2011' have been lapsed in terms of the said ESOP scheme and accordingly all outstanding options were terminated and cancelled. Since there are no outstanding ESOSs as at March 31, 2015, the impact would be nil on the net results and EPS, had the fair value method been used.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

A summary of the movement, during the year, in various IWSL ESOS – 2011 is as below:

Particulars	IWSL ESOS – 2011								
Total number of option under Scheme	5,000,000								
Grant date of options under the Scheme	28-Feb-12	29-Mar-12	17-Sep-12	2-Feb-13	22-Feb-13	9-May-13	1-Oct-13	31-Oct-13	14-Apr-14
Number of options outstanding as at April 1, 2014	1,131,300	135,000	744,000	150,000	135,000	250,000	400,000	190,000	—
Number of options granted during the year	—	—	—	—	—	—	—	—	40,000
Number of options vested during the year	125,700	65,000	85,000	16,000	15,000	25,000	40,000	19,000	—
Number of options forfeited/ cancelled during the year	1,005,600	120,000	734,000	144,000	135,000	250,000	400,000	190,000	40,000
Number of options exercised during the year	125,700	15,000	10,000	6,000	—	—	—	—	—
Number of options expired during the year	—	—	—	—	—	—	—	—	—
Number of options outstanding as at March 31, 2015	—	—	—	—	—	—	—	—	—
Out of the outstanding option number of options exercisable as at March 31, 2015	—	—	—	—	—	—	—	—	—
Exercise price (₹ per option)	8.28	7.80	9.10	15.05	12.45	13.65	15.00	17.90	18.80
Remaining contractual life (Months)	—	—	—	—	—	—	—	—	—

Employee stock option schemes of Store One Retail India Limited

i. Store One Retail India Limited Employees Stock Option Scheme - 2009

The Shareholders of Store One Retail India Limited (hereinafter referred as SORIL) vide postal ballot passed a special resolution on February 09, 2009 for issue of 1,500,000 (One Million five hundred thousands) shares towards issue of Employee Stock Option Scheme -2009 in supersession of Resolution passed on May 12, 2008 for ESOP -2008.

The Compensation Committee, constituted by the Board of Directors of the SORIL, at its meeting held on June 05, 2009, granted, under the “Indiabulls Retail Services Limited Employees Stock Option Scheme – 2009”, 1,500,000 (One Million five hundred thousands) stock options representing an equal number of Equity shares of face value ₹ 10 each in the SORIL, to the eligible employees, at an exercise price of ₹ 30.45 per option, being the latest available closing market price on the National Stock Exchange of India Limited, as on June 04, 2009. The stock options so granted, shall vest in the eligible employees within 10 years beginning from June 06, 2010, the first vesting date. The stock options granted under each of the slabs, can be exercised by the grantees within a period of five years from the relevant vesting date.

Pursuant to the shareholders’ authorization dated September 30, 2009 and receipt of fresh certificate of incorporation dated October 6, 2009, the name of the SORIL has been changed from Indiabulls Retail Services Limited to Store One Retail India Limited. Accordingly, the title of the Scheme stands changed from Indiabulls Retail Services Limited Employees Stock Option Scheme – 2009 to ‘Store One Retail India Limited Employees Stock Option Scheme - 2009.

The SORIL follows the intrinsic value method of accounting as prescribed in the Guidance Note on Accounting for Employees Share based Payments (“Guidance Note”) issued by the Institute of Chartered Accountants of India. Since, on the date of grant, the intrinsic value of the options granted was equal to the exercise price, no compensation expense in respect of the options granted was recorded by the SORIL.

The Fair value of the options under the plan using the Black-Scholes model based on the following parameters is ₹ Nil per option, as calculated by an independent firm of Chartered Accountants:

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

S. No.	Particulars	ESOP – 2009
1	Expected volatility	206%
2	Expected forfeiture percentage on each vesting date	-
3	Option Life (Weighted Average)	10.5 Years
4	Expected Dividends yield	-
5	Risk Free Interest rate	6.50%

Had the SORIL followed the fair value method, there would not have been any impact on profit after tax and on basic and diluted earnings per share of the SORIL.

Employee stock options details as on the balance sheet date are as follows:

Particulars	2014-15 No. of shares	2013-14 No. of shares
Total number of option under Scheme	1,500,000	1,500,000
Number of options outstanding as at beginning of the year	150,000	345,000
Number of options granted during the year	-	-
Number of options vested during the year	-	-
Number of options exercised during the year	-	-
Number of options forfeited/cancelled during the year	150,000	195,000
Number of options lapsed during the year	-	-
Number of options outstanding as at end of the year	-	150,000
Out of the outstanding option number of options exercisable as at end of the year	-	60,000
Number of options available for grant as at end of the year	1,500,000	1,500,000
Exercise Price (Rs. per option)	30.45	30.45
Remaining Contractual Life for options outstanding as at end of the year (months)	-	74

ii. Store One Retail India Limited Employees' Stock Options Scheme – 2009 (II)

Members of the SORIL in their annual general meeting held on September 30, 2009 have approved by way of special resolution the "Indiabulls Retail Services Employees Stock Option Scheme - 2009 (II)" ("IBRSL ESOS - 2009") covering 3,000,000 (Three Millions) equity settled options for eligible employees of the SORIL, its subsidiaries, its fellow subsidiaries and Holding Company.

The options to be granted, under the above scheme representing an equal number of Equity shares of face value Rs. 10 each in the SORIL, to the eligible employees, will be granted at an exercise price which will be equal to latest available closing market price on the National Stock Exchange of India Limited, on the date of grant. The stock options so granted, shall vest in the eligible employees within 10 years beginning from their respective dates of grants. The stock options granted under each of the slabs, can be exercised by the grantees within a period of five years from the relevant vesting date.

Pursuant to the shareholders' authorization dated September 30, 2009 and receipt of fresh certificate of incorporation dated October 6, 2009, the name of the SORIL has been changed from Indiabulls Retail Services Limited to Store One Retail India Limited. Accordingly, the title of the Scheme stands changed from Indiabulls Retail Services Limited Employees Stock Option Scheme – 2009(II) to 'Store One Retail India Limited Employees Stock Option Scheme - 2009(II)'.

The SORIL follows the intrinsic value method of accounting as prescribed in the Guidance Note on Accounting for Employees Share based Payments ("Guidance Note") issued by the Institute of Chartered Accountants of India. Since no options have been granted therefore there is no compensation expense which need to be recognized by the SORIL.

Other disclosures as to Performa effect had the fair value method been followed and other related disclosure is not applicable as no options have been granted.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

27. Operating Lease

The Group has taken office premises on operating lease at various locations and lease rent of ₹ 20,791,472 in respect of the same has been charged during the year (previous year: 45,710,478). The underlying agreements are executed for a period generally ranging from one year to three years, renewable at the option of the Group and the lessor and are cancellable in some cases, by either party by giving a notice generally upto 90 days. There are no restrictions imposed by such leases and there are no subleases.

The minimum lease rentals payable in respect of such operating leases are as under:

Minimum Lease Rentals	As at March 31, 2015	As at March 31, 2014
Within one year	12,470,163	27,137,496
More than one year but not later than five years	28,171,074	90,395,959
More than five years	-	16,526,994
Total	40,641,037	134,060,449

28. Disclosure pursuant to Revised Schedule VI of companies Act,1956:

Details of purchases and sales of traded goods made during the year ended March 31, 2015 with opening and closing of stock is as follows:

Particulars	Opening stock (net of provision for shrinkages/ shortages)		Purchases		Sales		Closing Stock (net of provision for shrinkages/ shortages)	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Desktops	-	4,305,000	-	1,456,073	-	5,636,495	-	-
Servers	-	-	-	3,326,983	-	3,524,445	-	-
Switches	-	-	-	826,877	-	1,051,779	-	-
Printers	-	-	-	1,104,878	-	1,227,168	-	-
Laptops	-	-	-	2,959,973	-	3,115,503	-	-
Software License	-	-	-	2,209,227	-	2,484,461	-	-
UPS	-	-	-	580,273	-	602,890	-	-
LAN Card	-	-	-	215,762	-	223,067	-	-
Art Gallery Items	-	-	17,443,204	-	-	-	17,443,204	-
Others*	420,647	1,350,772	5,214,622	5,975,497	5,635,269	6,990,731	-	420,647

The Group having dealt in a large number of products, the inventory has been furnished only a consolidated figure in respect of major items.

*Other items are grouped together, as inventory in respect of each product is not practical, in view of the nature of operations of the Group.

Details of purchases and consumption of consumable goods during the year ended March 31, 2015 with opening and closing of stock is as follows:

Particulars	Opening stock		Purchases		Consumption		Closing stock	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Store and spares	1,716,768	8,348,214	9,040,461	24,441,136	6,892,118	31,072,582	3,865,111	1,716,768
Raw material	-	254,558	-	6,718,917	-	6,973,475	-	-

29. Related party transactions

Disclosures in respect of Accounting Standard (AS) – 18 'Related party disclosures', as specified under Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This disclosure also includes the amount due to entities pursuant to clause 32 of listing agreement with stock exchange:

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

During The year ending March 31, 2015 and March 31, 2014 there were no material transactions with related parties., In accordance with AS 18, disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed. Related party relationships, as given above, are as identified by the Group and have been relied upon by the auditors.

30. Contingent liabilities and Commitments

Particulars	As at March 31, 2015	As at March 31, 2014
Income Tax matters for the Assessment Year 2007-08 in respect of the which appeals have been filed	8,280,195	8,280,195
Income Tax matters for the Assessment Year 2010-11 in respect of the which appeals have been filed	2,484,323	2,428,094
Income Tax matters for the Assessment Year 2011-12 in respect of the which appeals have been filed	26,031,360	26,031,360
Income Tax matters for the Assessment Year 2012-13 in respect of the which appeals have been filed	32,890,190	-
Guarantees issued by banks to Sales Tax and Custom department (secured by way of fixed deposits of the Company)	200,000	900,000
Guarantees issued by banks to Customer for performance (secured by way of fixed deposits of the Company)	-	593,780
Claims (Excluding interest) against the Company not acknowledged as debts:	5,353,400	4,515,200
Commitments		
Estimated amount of contracts remaining to be executed on capital account, net of advances	8,690,608	30,772,308

The group has certain litigation cases pending, however, based on legal advice, the management does not expect any unfavourable outcome resulting in material adverse effect on the financial position of the group.

As per the best estimate of the management, no provision is required to be made 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.

31. The Group has exposure to foreign exchange related risks. The Group has not entered into any foreign exchange derivative instruments during the year.

Unhedged foreign currency exposure as at reporting date is as follows:

Particulars	Currency	As at March 31, 2015		As at March 31, 2014	
		(in FCY)	(in INR)	(in FCY)	(in INR)
Trade receivable	USD	-	-	1,556,196	93,527,068
	ZAR	-	-	2,563,510	14,577,911
	AED	-	-	324,428	5,298,366
	EURO	-	-	88,519	7,309,589
Trade payables	USD	173,856	10,881,786	-	-
	EURO	2,192	147,983	-	-
Security deposits given	USD	15,000	938,862	-	-
Capital Advances	USD	1,000,000	62,590,800	-	-

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

32. Corporate social responsibility expenses

- (a) Gross amount required to be spent by the company during the year: ₹ 7,845,391.
 (b) Amount spent during the year on:

Particulars	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	—	—	—
(ii) On purposes other than (i) above	₹ 7,845,391	—	₹ 7,845,391

33. In the opinion of the Board of Directors, all current assets and long term loans & advances, appearing in the Balance Sheet as at March 31, 2015, have a value on realization, in the ordinary course of the Group's business, at least equal to the amount at which they are stated in the financial statements and hence no provision is required to be made against the recoverability of these balances.
34. Previous year figures have been regrouped and/or re-classified, wherever necessary to confirm those of the current year grouping and/or classification.

For **Agarwal Prakash & Co.**
Chartered Accountants

Prakash Agarwal
Partner

Place : New Delhi
Date: May 04, 2015

For and on behalf of the board of directors

Mehul Johnson
Director
DIN: 00016075

Priya Jain
Company Secretary

Surinder Singh Kadyan
Whole Time Director
DIN: 03495880

Saurabh Garg
Chief Financial Officer

Independent Auditor's Report

To the Members of Indiabulls Wholesale Services Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Indiabulls Wholesale Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting standards and standards on auditing and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Other Matter

The standalone financial statements of the Company for the year ended March 31, 2014, were audited by another auditor who expressed an unmodified opinion vide its report dated April 23, 2014. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required under provisions of section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

Independent Auditor's Report (contd.)

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.
- g. We do not have any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith.

For Agarwal Prakash & Co.
Chartered Accountants
Registration No : 005975N

Prakash Agarwal
Partner
Membership No. : 084964

New Delhi
May 04, 2015

Annexure to the Auditor's Report

Annexure referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date on the standalone financial statements for the year ended March 31, 2015

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

- i) In respect of its Fixed Assets :
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets on the basis of available information.
 - b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- ii) In respect of its Inventories :
 - a. As explained to us, the inventory has been physically verified by the management at reasonable intervals.
 - b. As explained to us, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. On the basis of our examination of the records of the inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and they were properly dealt with in the books of account.
- iii) The Company has granted unsecured loans to party covered in the register maintained under Section 189 of the Act with respect to the same :
 - a. In our opinion, the receipt of principal amount and interest have been regular.
 - b. There is no overdue amount in respect of loans granted to such companies, firms or other parties with regard to principal amount and interests.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1)(d) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) In respect of Statutory dues :
 - a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period of more than six months from the date of becoming payable.
 - b. According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax , Cess on account of any dispute, except for the amount mentioned below -

Name of the statute	Demand amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	2,484,323	Assessment Year 2010-11	ITAT
Income Tax Act, 1961	15,630,520	Assessment Year 2012-13	CIT (A)

Annexure to the Auditors' Report (contd.)

- c. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.
- viii) The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- ix) The company has not raised loans from Financial Institutions or Banks or by issue of debentures and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.
- x) In our opinion, the terms and conditions on which the Company has given guarantee for loans taken by others from banks or financial institutions are not, prima facie, prejudicial to the interest of the Company.
- xi) As explained to us, no term loan has been obtained by the Company, hence the provisions of clause (xi) of paragraph 3 of the Order are not applicable to the Company.
- xii) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For Agarwal Prakash & Co.
Chartered Accountants
Registration No : 005975N

Prakash Agarwal
Partner
Membership No. : 084964

New Delhi
May 04, 2015

Balance Sheet

as at March 31, 2015

(All Amounts in Indian ₹ except share data and where otherwise stated)

	Note		As at March 31, 2015		As at March 31, 2014
I. EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	4		126,613,986		126,300,586
Reserves and surplus	5		7,800,514,916		7,669,889,552
Total of Shareholders' funds			7,927,128,902		7,796,190,138
Non-current liabilities					
Long-term provisions	6		371,504		716,342
Total of Non-current liabilities			371,504		716,342
Current liabilities					
Trade payables	7		2,008,230		1,604,962
Other current liabilities	8		82,486,160		261,120,431
Short-term provisions	6		45,510,263		14,350,503
Total of Current liabilities			130,004,653		277,075,896
Total of Equity and Liabilities			8,057,505,059		8,073,982,376
II. ASSETS					
Non-current assets					
Fixed assets	9				
Tangible assets		2,483,235		6,029,886	
Intangible assets		-	2,483,235	-	6,029,886
Non-current investments	10		3,699,199,890		3,598,549,890
Deferred tax assets, net	23		341,270		216,592
Long-term loans and advances	11		3,995,220,150		3,455,567,150
Total of Non-current assets			7,697,244,545		7,060,363,518
Current assets					
Inventories	12		139,486,911		390,330,731
Trade receivables	13		64,194,459		73,789,264
Cash and cash equivalents	14		13,126,453		24,710,289
Short-term loans and advances	11		59,301,536		375,422,902
Other current assets	15		84,151,155		149,365,672
Total of Current assets			360,260,514		1,013,618,858
Total of Assets			8,057,505,059		8,073,982,376

Significant accounting policies

3

The accompanying notes are an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date

For **Agarwal Prakash & Co.**
Chartered Accountants

For and on behalf of the board of directors

Prakash Agarwal
Partner

Mehul Johnson
Director
DIN: 00016075

Surinder Singh Kadyan
Whole Time Director
DIN: 03495880

Place: New Delhi
Date: May 04, 2015

Priya Jain
Company Secretary

Saurabh Garg
Chief Financial Officer

Statement of Profit and Loss

for the year ended March 31, 2015

(All Amounts in Indian ₹ except share data and where otherwise stated)

	Note		For the year ended March 31, 2015		For the year ended March 31, 2014
Revenue					
Revenue from operations	16		371,989,879		431,893,858
Other income	17		159,191,939		9,778,420
Total of Revenue			531,181,818		441,672,278
Expenses					
Cost of revenue	18				
Cost incurred during the year		54,554,445		120,947,690	
Decrease in real estate project under development		250,843,820	305,398,265	173,979,001	294,926,691
Employee benefits expense	19		3,057,072		14,002,354
Finance costs	20		1,550,755		1,826
Depreciation and amortisation expense	9		2,016,984		2,332,028
Other expenses	21		42,771,824		55,199,140
Total of Expenses			354,794,900		366,462,039
Profit before tax			176,386,918		75,210,239
Tax expense:	23				
Current tax (including of earlier year taxes)			42,809,377		12,249,982
Deferred tax (credit)/charge			(124,678)		15,037,512
Profit for the year			133,702,219		47,922,745
Earnings per equity share	24				
Basic			2.59		0.90
Diluted			2.57		0.87
Face value per equity share			2		2

Significant accounting policies

3

The accompanying notes are an integral part of the financial statements

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

For **Agarwal Prakash & Co.**
Chartered Accountants

For and on behalf of the board of directors

Prakash Agarwal
Partner

Mehul Johnson
Director
DIN: 00016075

Surinder Singh Kadyan
Whole Time Director
DIN: 03495880

Place: New Delhi
Date: May 04, 2015

Priya Jain
Company Secretary

Saurabh Garg
Chief Financial Officer

Cash Flow Statement

for the year ended March 31, 2015

(All Amounts in Indian ₹ except share data and where otherwise stated)

	For the year ended March 31, 2015	For the year ended March 31, 2014
A. Cash flow from operating activities:		
Net Profit before tax	176,386,918	75,210,239
<i>Adjustments for:</i>		
Depreciation and amortisation expense	2,016,983	2,332,028
Dividend income on units of mutual fund	(3,941,051)	(2,388,610)
Dividend on preference share investments	(1,781,550)	(1,782,835)
Interest income from loans and advances given	(10,616,242)	-
Interest income on fixed deposit receipts	-	(261,781)
Net gain on sale of investments	(141,500,000)	(345,182)
Bad debts written off	72,008	-
Loss on sale of fixed asset	-	1,177,353
Payment of gratuity and compensated absences	(7,293)	-
Provision for gratuity and compensated absences	(353,334)	(83,642)
Operating profit before working capital changes and other adjustments	20,276,439	73,857,570
<i>Working capital changes and other adjustments</i>		
Decrease/ (increase) in trade receivables	9,522,797	(9,876,757)
Decrease/ (increase) in loans and advances	333,209,445	(294,706,700)
Decrease in inventories	250,843,820	173,979,001
Decrease in other current assets	74,750,170	-
Increase in trade payables	403,268	7,526,779
(Decrease)/ increase in other liabilities	(178,634,270)	78,907,719
Cash generated from operating activities	510,371,669	29,687,612
Income tax paid	(1,993,754)	(579,071)
Net cash generated from operating activities	508,377,915	29,108,541
B. Cash flow from investing activities:		
Investment in equity shares of subsidiary companies	(101,150,000)	-
Proceeds from sale of investments	142,000,000	-
Investment in mutual funds	(15,432,395,207)	(8,823,988,078)
Redemption of mutual funds	15,432,395,207	8,824,333,260
Dividend received from units of mutual funds	3,941,051	2,388,610
Dividend on preference share investments	1,781,550	1,782,835
Interest received on fixed deposit receipts	-	261,781
Loans and advances given	(679,760,000)	(400,000)
Loans and advances received back	113,300,000	30,000,000
Interest income received on loans and advances given	1,080,589	-
Proceeds from sale of fixed assets	-	546,667
Purchase of fixed assets	(145,786)	(89,400)
Net cash used in/ (generated from) investing activities	(518,952,596)	34,835,675
C. Cash flow from financing activities:		
Proceeds from issue of equity share capital (including securities premium)	1,339,096	2,464,896
Dividends paid on equity share capital, including corporate dividend tax	-	(58,692,664)
Dividends paid on preference share capital, including corporate dividend tax	(2,348,251)	(2,651,025)
Net cash used in financing activities	(1,009,155)	(58,878,793)
D. (Decrease)/ increase in cash and cash equivalents, net (A+B+C)	(11,583,836)	5,065,423
E. Cash and cash equivalents at the beginning of the year	24,710,289	19,644,866
F. Cash and cash equivalents at the end of the year (D+E)	13,126,453	24,710,289

Cash Flow Statement

for the year ended March 31, 2015 (Contd..)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Notes:

- a) The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on 'Cash Flow Statements' as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
- b) **Cash and cash equivalents includes:**

	For the year ended March 31, 2015	For the year ended March 31, 2014
Cash on hand	71,166	31,005
Balances with banks		
- In current accounts	12,907,324	24,531,273
- In unclaimed dividend account (refer note (c) below)	147,963	148,011
Total of cash and cash equivalents	13,126,453	24,710,289

- c) Unclaimed dividend account pertains to dividend not claimed by equity shareholders and the company does not have any right on the said money.

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

For **Agarwal Prakash & Co.**
Chartered Accountants

For and on behalf of the board of directors

Prakash Agarwal
Partner

Mehul Johnson
Director
DIN: 00016075

Surinder Singh Kadyan
Whole Time Director
DIN: 03495880

Place: New Delhi
Date: May 04, 2015

Priya Jain
Company Secretary

Saurabh Garg
Chief Financial Officer

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All Amounts in Indian ₹ except share data and where otherwise stated)

1. Company overview

Indiabulls Wholesale Services Limited ("the Company", "IBWSL") was incorporated on July 24, 2007.

The Company carries on wholesale trading and retail business and is also developing real estate projects on land situated in Ahmadabad (Gujarat) and Hyderabad (Andhra Pradesh).

2. Basis of preparation of financial statements

a) Basis of accounting

The financial statements have been prepared on going concern basis under the historical cost convention on an accrual basis, in accordance with the generally accepted accounting principles in India and in compliance with the applicable accounting standards as notified under the Companies (Accounting Standards) Rules, 2006, read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Companies Act 2013.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities, if any, on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

3. Significant accounting policies

a) Revenue recognition

- i) Revenue from real estate development projects is recognized on the percentage of completion method. Revenue is recognised in the financial year in which the agreement to sell or application forms (containing salient terms of agreement to sell) is executed, on the percentage of completion method which is applied on a cumulative basis in each accounting year to the current estimate of contract revenue and related project costs, when the stage of completion of each project reaches a significant level which is estimated to be at least 25% of the total estimated construction cost of the respective projects. The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.
- ii) Revenue from sale of developed land and plots is recognized in the year in which the underlying sale deed is executed.
- iii) Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.
- iv) Dividend income is recognized when the right to receive payment is established, at the balance sheet date.
- v) Profit on sale of investment is recognized on the date of its sale and is computed as excess of sale proceeds over its carrying amount as at the date of sale.
- vi) Interest on delayed receipts, cancellation / forfeiture and transfer fees from customers is recognized, as per revenue recognition principles laid down in Accounting Standard - 9 on "Revenue Recognition", when certainty of its collection is established.

b) Inventories

Land other than that transferred to real estate projects under development is valued at lower of cost or net realizable value.

Real estate project under development includes cost of land under development, internal and external development costs, constructions costs and development/ construction materials, borrowing costs and related overheads costs and is valued at lower of cost or net realizable value.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Construction materials, stores and spares, tools and consumable are valued at lower of cost or net realizable value, on the basis of first-in first-out method.

Raw Material is valued at cost.

c) Fixed assets

Recognition and measurement

Tangible fixed assets are stated at cost; net of tax or duty credits availed, less accumulated depreciation and impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

Intangible assets are stated at cost, net of tax or duty credits availed, less accumulated amortization and impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition.

Depreciation and Amortization

Till the year ended March 31, 2014, depreciation rates prescribed under Schedule XIV of Companies act, 1956 were used for charging depreciation. With effect from current year, schedule XIV has been replaced by Schedule II of Companies Act, 2013. Schedule II of Companies Act, 2013 prescribed the useful lives of fixed asset which, in many cases, are different from lives prescribed under Schedule XIV.

Depreciation on fixed assets is provided on the straight-line method, computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013, on a pro-rata basis from the date the asset is ready to put to use subject to transitional provisions of Schedule II.

Intangible assets are amortized over the expected useful life from the date the assets are available for use, as mentioned below:

Description of asset : Computer software

Estimated life : 4 years

d) Investments

Investments are classified as non-current or current investments, based on management's intention. Investments that are readily realizable and intended to be held not more than a year are classified as current investments. All other investments are classified as non-current investments.

Current investments are stated at lower of cost and fair value determined on an individual investment basis. Non-current investments are stated at cost less provision for diminution in their value, other than temporary, if made in the financial statements.

e) Impairment of assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

f) Employee benefits

The Company's contribution to provident fund and employee state insurance schemes is charged to the statement of profit and loss or inventorized as a part of real estate project under development, as the case may be. The Company's contributions towards Provident Fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

The Company has unfunded gratuity (defined benefit plan) and compensated absences for its employees, the liability for which is determined on the basis of actuarial valuation, conducted annually, by an independent actuary using projected unit credit method, in accordance with notified Accounting Standard 15 (Revised 2005) – 'Employee Benefits'. Actuarial gains and losses are either recognized in the statement of profit and loss or inventorized as a part of real estate project under development, as the case may be.

Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

g) Stock based compensation expense

Stock based compensation expense are recognized in accordance with the guidance note on 'Accounting for employee share based payments' issued by the Institute of Chartered Accountants of India, which establishes financial accounting and reporting principles for employee share based payment plans. Employee stock compensation costs are measured based on intrinsic value of the stock options on the grant date. The compensation expense is amortized over the vesting period of the options.

h) Leases

Lease payments under operating leases are recognised as expense in the Statement of Profit and Loss over the lease term.

i) Foreign currency transactions

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the exchange rate between the reporting currency and the foreign currency at the date of the transaction to the foreign currency amount.

Conversion

Foreign currency monetary items are converted to reporting currency using the closing rate. Non monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Differences

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise except those arising from investments in non-integral operations.

Exchange differences arising on monetary items that in substance forms part of the Company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognized in the statement of profit and loss.

j) Taxes on income

Current tax

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonable certain that normal income tax will be paid during the specified period.

Deferred tax

Deferred tax resulting from timing differences between taxable income and accounting income is accounted for at the current rate of tax or substantively enacted tax rates as at reporting date, to the extent that the timing differences are expected to crystallize.

Deferred tax assets are recognized where realization is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that such deferred tax assets will be realized. Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each reporting date.

k) Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or,
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

l) Earnings per equity share

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

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

m) Share issue/buyback expenses

Share issue/buyback expenses are adjusted against securities premium account to the extent of balance available and thereafter, the balance portion is charged off to the statement of profit and loss, as incurred.

n) Preliminary expenses

Preliminary expenses are adjusted against securities premium account (net of tax) to the extent of balance available and thereafter, the balance portion is charged off to the statement of profit and loss, as incurred.

o) Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive management in performance assessment and decision making with regards to resource allocation.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 4

SHARE CAPITAL

	As at March 31, 2015		As at March 31, 2014	
	No. of shares		No. of shares	
(i) Authorised				
Equity shares of face value of ₹ 2 each	400,000,000	800,000,000	400,000,000	800,000,000
Preference shares of face value of ₹10 each	30,000,000	300,000,000	30,000,000	300,000,000
		1,100,000,000		1,100,000,000
(ii) Issued, subscribed and paid up				
Equity shares of face value of ₹ 2 each fully paid up				
Balance at the beginning of the year	50,561,793	101,123,586	50,285,093	100,570,186
Add: Issued during the year	156,700	313,400	276,700	553,400
Total of equity share capital	50,718,493	101,436,986	50,561,793	101,123,586
9% Redeemable non -cumulative, non-convertible preference share of face value of ₹ 10 each				
Balance at the beginning of the year	2,517,700	25,177,000	2,517,700	25,177,000
Add: issued during the year	—	—	—	—
Total of preference share capital	2,517,700	25,177,000	2,517,700	25,177,000
Total of share capital	53,236,193	126,613,986	53,079,493	126,300,586

(iii) Rights, preferences and restrictions attached to shares

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. The holders of preference shares are entitled to receive dividends, but do not carry the right to vote. All shares rank equally with regard to the Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

(iv) Shares allotted as fully paid up, without payments received in cash

A scheme of arrangement between Indiabulls Real Estate Limited and the company and their respective shareholders and creditors under Sections 391 – 394 of the Companies Act, 1956, was sanctioned by the Hon'ble High Court of Delhi at New Delhi on March 3, 2011, pursuant to which the company has allotted one (1) equity share of face value of ₹ 2 each credited as fully paid-up for every eight (8) equity share of face value of ₹ 2 each held by such shareholders in Indiabulls Real Estate Limited.

(v) Details of shareholder holding more than 5% share capital in the Company

	As at March 31, 2015
Name of the equity shareholders	Number of shares
Jyeshta Infrastructure Private Limited	8,330,412
Kritikka Infrastructure Private Limited	6,965,763
Name of the preference shareholders	Number of shares
Indiabulls Real Estate Limited	2,517,700

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

	As at March 31, 2014
Name of the equity shareholders	Number of shares
Jyeshtha Infrastructure Private Limited	3,330,412
Kritikka Infrastructure Private Limited	6,965,763
Yantra Energetics Private Limited	4,633,144
Gragerious Projects Private Limited	5,089,982
Name of the preference shareholders	Number of shares
Indiabulls Real Estate Limited	2,517,700

(vi) Details of number of equity share reserved for issuance under contracts or options

	As at March 31, 2015	As at March 31, 2014
Employee stock option scheme (Refer Note No. 25)	-	3,135,300

Note - 5

RESERVES AND SURPLUS

		As at March 31, 2015		As at March 31, 2014
Capital reserve		94,248,700		94,248,700
General reserve		5,014,971,517		5,014,971,517
Securities premium				
Balance as at the beginning of the year	2,494,434,496		2,492,523,000	
Add : Issue of equity share capital	1,025,696	2,495,460,192	1,911,496	2,494,434,496
Surplus in the Statement of Profit and Loss				
Balance as at the beginning of the year	66,234,839		20,824,738	
Add: Adjustment due to depreciation*	(1,675,453)		-	
Add: (Loss)/ Profit for the year	133,702,219		47,922,745	
	198,261,605		68,747,483	
Less: Appropriations				
Proposed dividend on equity shares and corporate dividend tax thereon	—		140,700	
Proposed dividend on preference shares and corporate dividend tax thereon	2,427,098	195,834,507	2,371,944	66,234,839
Total of reserves and surplus		7,800,514,916		7,669,889,552

* Impact of transitional provision provided in Note 7(b) of Schedule II of Companies Act 2013.

Note - 6

PROVISIONS

		As at March 31, 2015		As at March 31, 2014
Long-term provisions				
Provision for employee benefits				
Gratuity	271,102		490,581	
Compensated absences	100,402	371,504	225,761	716,342
Total of long term provisions		371,504		716,342

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 6

PROVISIONS (contd.)

	As at March 31, 2015		As at March 31, 2014	
Short-term provisions				
Provision for employee benefits				
Gratuity	9,749		18,740	
Compensated absences	3,029	12,778	9,827	28,567
Provision for income tax, net of advance tax and tax deducted at source		42,767,613		11,670,911
Dividend proposed on preference shares and corporate dividend tax thereon		2,729,872		2,651,025
Total of short term provisions		45,510,263		14,350,503

Note - 7

TRADE PAYABLES

	As at March 31, 2015	As at March 31, 2014
Due to micro and small enterprises*	-	-
Retention Money Payable	518,394	724,369
Due to others	1,489,836	880,593
Total of Trade Payables	2,008,230	1,604,962

*Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):

	Amount (₹)
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil

The above information regarding micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

Note - 8

OTHER CURRENT LIABILITIES

	As at March 31, 2015	As at March 31, 2014
Advance from customers	70,806,799	92,144,366
Payable to statutory or government authorities	6,323,763	1,725,100
Advance for land from related party	-	150,400,000
Security deposits - others	20,000	20,000
Unpaid dividend on equity shares*	147,963	148,011
Other payables	5,187,635	16,682,954
Total of other Current liabilities	82,486,160	261,120,431

* In respect of amounts mentioned under Section 205C of the Companies Act, 1956, there were no dues required to be credited to the Investor Education and Protection Fund as on March 31, 2015.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

Note - 9
Fixed Assets
(All Amounts in Indian ₹ except share data and where otherwise stated)

Particulars	Gross Block (at cost)			Accumulated Depreciation / Amortisation			Net Block	
	As at April 1, 2014	Additions during the year	Sales during the year	As at March 31, 2015	As at April 1, 2014	Provided during the year	Sales during the year	As at March 31, 2015
A. Tangible Assets								
Building-Temporary Structure	212,754	-	-	212,754	212,754	-	-	-
Plant & Equipment	357,961	-	-	357,961	56,968	34,804	-	266,189
Office Equipment	2,726,235	3,087	-	2,729,322	748,831	1,977,309	-	3,182
Computers	9,159,740	-	-	9,159,740	8,715,091	393,120	-	51,529
Furniture and Fixtures	445,680	142,699	-	588,379	289,567	57,493	-	241,319
Vehicles	5,962,788	-	-	5,962,788	2,812,061	1,229,711	-	1,921,016
Total of Tangible Assets (A)	18,865,158	145,786	-	19,010,944	12,835,272	3,692,437	-	16,527,709
B. Intangible Assets								
Computer Software	43,972,893	-	-	43,972,893	43,972,893	-	-	43,972,893
Total of Intangible Assets (B)	43,972,893	-	-	43,972,893	43,972,893	-	-	43,972,893
Total of Fixed Assets [A+B]	62,838,051	145,786	-	62,983,837	56,808,165	3,692,437	-	60,500,602
Previous Year	66,554,745	89,400	3,806,094	62,838,051	56,558,211	2,332,028	2,082,074	6,029,886

Effective from April 01, 2014, the Company has started providing depreciation based on the revised useful life of the assets as per the requirement of schedule II of the Companies Act, 2013. Due to this, depreciation charge for the year ended March 31, 2015, is higher by ₹ 936,387. Further, based on transitional provision provided in Note 7 (b) of Schedule II, the carrying value of assets amounting to ₹ 1,675,453 which has completed its depreciation period as on April 01, 2014 has been charged to the opening balance of retained earnings as on that date.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 10

INVESTMENTS

	As at March 31, 2015		As at March 31, 2014	
	Number of shares	Amount	Number of shares	Amount
Non-current investments				
(i) Investment in equity shares (at cost)*				
In subsidiary companies (trade investments, quoted and fully paid-up)				
Store One Retail India Limited#	20,383,310	655,239,890	15,983,310	521,039,890
In subsidiary companies (trade investments, unquoted and fully paid-up)				
Lucina Infrastructure Limited	50,000	500,000	50,000	500,000
Sentia Properties Limited	50,000	500,000	50,000	500,000
Indiabulls Technology Solutions Limited	-	-	50,000	500,000
Albasta Wholesale Services Limited	100,050,000	1,000,500,000	100,050,000	1,000,500,000
Mahabala Infracon Private Limited	50,000	500,000	-	-
(ii) Investment in preference shares (at cost)**				
In subsidiary companies (trade investments, unquoted and fully paid-up)				
Albasta Wholesale Services Limited	30,000,000	300,000,000	30,000,000	300,000,000
Store One Retail India Limited	1,979,500	1,741,960,000	1,979,500	1,741,960,000
(iii) Investment in equity warrants (at cost)***				
In subsidiary companies (trade investments, unquoted and partly paid-up)				
Store One Retail India Limited#	-	-	4,400,000	33,550,000
		3,699,199,890		3,598,549,890
Aggregate book value of quoted investments		655,239,890		521,039,890
Aggregate book value of unquoted investments		3,043,960,000		3,077,510,000
Aggregate market value of quoted investments		554,426,032		410,771,067
* Face value of ₹ 10 each unless otherwise stated				
** Face value of ₹ 10 each unless otherwise stated				
*** Face value of ₹ 10 each unless otherwise stated				

On 6th December 2012, the company has made a acquisition of 4,400,000 warrants of Store One Retail India Limited on preferential allotment basis, convertible into equivalent number of equity shares of face value of ₹ 10 each at a conversion price of ₹ 30.50 per equity share to the Company, among which 25% of total conversion price has been paid upfront. On April 28, 2014 the company has paid remaining 75% of total conversion price and Store One Retail India Limited allotted 4,400,000 shares to the company.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 11

LOANS AND ADVANCES

	As at March 31, 2015	As at March 31, 2014
Long-term loans and advances (Unsecured, considered good)		
Loans and advances to related parties	3,995,006,100	3,455,346,100
Security deposits	214,050	221,050
Total of Long-term loans and advances	3,995,220,150	3,455,567,150
Short-term loans and advances (Unsecured, considered good)		
Advance income tax, including tax deducted at source, net of provision for tax	2,248,052	11,966,973
Advance to employees	3,237,513	3,376,075
Advance to material / service providers	1,025	328,869,230
Balances with statutory/ government authorities	1,894,946	3,408,604
Loans and advances to related parties	26,800,000	-
Mobilization advances	-	2,639,520
Prepaid expenses	-	42,500
Security deposits	120,000	120,000
Other advances	25,000,000	25,000,000
Total of short-term loans and advances	59,301,536	375,422,902

Note - 12

INVENTORIES

	As at March 31, 2015	As at March 31, 2014
Real estate project under development (at cost)		
Land	585,078,200	585,078,200
License and other regulatory fees	21,691,552	20,719,514
Cost of material, construction services and other overheads	1,095,577,040	1,042,108,359
	1,702,346,792	1,647,906,073
Less: Cost of sale recognised till date	(1,562,859,881)	(1,257,575,342)
Total of inventories	139,486,911	390,330,731

Note - 13

TRADE RECEIVABLE

	As at March 31, 2015	As at March 31, 2014
(Unsecured, considered good)		
Debts outstanding for a period exceeding six months	-	-
Other debts	64,194,459	73,789,264
Total of trade receivables	64,194,459	73,789,264

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 14

CASH AND CASH EQUIVALENTS

	As at March 31, 2015	As at March 31, 2014
Cash and bank balances		
Cash on hand	71,166	31,005
Balances with banks		
In current accounts	12,907,324	24,531,273
In unclaimed dividend account*	147,963	148,011
Total of cash and cash equivalents	13,126,453	24,710,289

* Unclaimed dividend account pertains to dividend not claimed by equity shareholders and the company does not have any right on the said money.

Note - 15

OTHER CURRENT ASSETS

	As at March 31, 2015	As at March 31, 2014
(Unsecured, considered good)		
Interest accrued on loans and advances	9,535,653	-
Unbilled debtors	74,615,502	149,365,672
Total of other current assets	84,151,155	149,365,672

Note - 16

REVENUE FROM OPERATIONS

	For the year ended March 31, 2015	For the year ended March 31, 2014
Revenue from real estate project under development	359,141,650	427,316,296
Other operating income	12,848,229	4,577,562
Total of revenue from operations	371,989,879	431,893,858

Note - 17

OTHER INCOME

	For the year ended March 31, 2015	For the year ended March 31, 2014
Dividend income on units of mutual fund	3,941,051	2,388,610
Dividends on preference share investments	1,781,550	1,782,835
Income from advisory services	-	5,000,000
Interest on Income tax refund	959,710	-
Interest on Inter Corporate Deposits	10,616,242	-
Interest on fixed deposits receipts	-	261,781
Net gain on sale of investments	141,500,000	345,182
Miscellaneous income	393,386	12
Total of other income	159,191,939	9,778,420

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 18

COST OF REVENUE

	For the year ended March 31, 2015		For the year ended March 31, 2014	
Cost incurred during the year		54,554,445		120,947,690
Increase in real estate project under development				
Opening stock	390,330,731		564,309,732	
Closing stock	(139,486,911)	250,843,820	(390,330,731)	173,979,001
Total cost of sales		305,398,265		294,926,691

Note - 19

EMPLOYEE BENEFITS EXPENSES

	For the year ended March 31, 2015		For the year ended March 31, 2014	
Salaries and wages		2,898,567		13,764,146
Contribution to provident fund and other funds		21,083		17,076
Staff welfare expenses		137,422		221,132
Total of employee benefits expenses		3,057,072		14,002,354

Note - 20

FINANCE COSTS

	For the year ended March 31, 2015		For the year ended March 31, 2014	
Interest expenses on				
Taxation	1,292,956		-	
Loans and advances	-		803	
Others	257,799	1,550,755	1,023	1,826
Total of finance costs		1,550,755		1,826

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Note - 21

OTHER EXPENSES

	For the year ended March 31, 2015		For the year ended March 31, 2014	
Advertisement expenses		3,170,243		9,567,842
Auditor's remuneration - as auditors		1,974,131		1,525,869
Bad debts written off		72,008		-
Communication expenses		1,025,938		1,765,297
Corporate social responsibility expenses		600,000		-
Insurance expenses		41,325		41,826
Legal and professional charges		733,739		662,076
Loss on sale of fixed assets		-		1,177,353
Power and fuel expenses		616		163,351
Printing and stationery		932,670		1,408,485
Rates and taxes		7,999,328		1,470,248
Rent expenses (Refer Note- 26)		-		251,040
Repairs and maintenance				
Buildings	-		46,422	
Vehicles	70,218		140,659	
Others	468,235	538,453	272,201	459,282
Brokerage and marketing expenses		14,389,623		22,028,479
Customer incentive and other charges		9,702,641		9,368,683
Security expenses		-		3,425,317
Travelling and conveyance expenses		898,335		1,803,465
Miscellaneous expenses		692,774		80,527
Total of other expenses		42,771,824		55,199,140

22. Employee benefits (non-funded)

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

	Gratuity		Compensated absence	
	For the year ended March 31,		For the year ended March 31,	
	2015	2014	2015	2014
Current service cost	54,175	153,545	26,356	101,230
Interest cost	43,292	46,724	20,025	19,560
Actuarial gain recognized during the year (net)	(325,937)	(219,959)	(171,245)	144,650
Cost (reversed)/recognized	(228,470)	(19,690)	(124,864)	265,440

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

Movement in the liability recognised in the balance sheet is as under:

	Gratuity		Compensated absence	
	As at March 31,		As at March 31,	
	2015	2014	2015	2014
Present value of defined benefit obligation at the beginning of the year	509,321	584,053	235,588	244,498
Cost (reversed)/recognised	(228,470)	(19,690)	(124,864)	265,440
Benefits paid	—	(55,042)	(7,293)	(274,350)
Present value of defined benefit obligation at the end of the year	280,851	509,321	103,431	235,588

For determination of the liability of the Company, the following actuarial assumptions were used:

	For the year ended March 31, 2015	For the year ended March 31, 2014
Discount rate	7.75%	8.50%
Salary escalation rate	5.00%	5.00%
Mortality table	IALM (2006 - 08)	IALM (2006 - 08)

23. Income Tax

Current tax

Current tax for the year includes earlier year tax charge of ₹ 41,764 (Previous Year: charge of ₹ Nil).

Deferred tax

In compliance with Accounting Standard 22 (AS 22) – 'Accounting for taxes on income', as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), the Company has recognized deferred tax credit of ₹ 124,678 (previous year: charge of ₹ 15,037,512) in the statement of profit and loss during the year ended March 31, 2015.

The breakup of deferred tax assets into major components is as under:

Particulars	As at March 31, 2015	As at March 31, 2014
Deferred tax liability arising on account of timing differences due to:		
Depreciation	-	(167,622)
Deferred tax assets arising on account of timing differences due to:		
Depreciation	156,227	-
Demerger Expenses	66,300	139,229
Provision for compensated absences and gratuity	118,743	244,985
Deferred tax assets/ (liabilities), net	341,270	216,592

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

24. Earnings per equity share

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Profit after tax as per Statement of Profit and Loss	133,702,219	47,922,745
Less: Dividend on preference shares and Corporate dividend tax thereon	2,427,098	2,371,944
Profit attributable to equity shareholders	131,275,121	45,271,726
Weighted average number of shares used in computing basic earnings per equity share	50,656,672	50,469,283
Weighted average number of shares used in computing diluted earnings per equity share	51,123,847	51,936,160
Face value per equity share	2	2
Basic earnings per equity share	2.59	0.90
Diluted earnings per equity share	2.57	0.87

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 diluted equity shares are adjusted for stock split, bonus shares and the potential dilutive effect of Employee stock option plans/schemes as appropriate.

25. Employee Stock Option Schemes

During the year ended March 31, 2012, the Board of Directors and Shareholders of the Company have given their consent to create, issue, offer and allot, to the eligible employees of the Company and its Subsidiary Companies, stock options not exceeding 5,000,000 in number, representing 5,000,000 Equity shares of face value of ₹ 2 each of the Company, accordingly the Indiabulls Wholesale Services Limited Employee Stock Option Scheme - 2011 ("IBWSL ESOP - 2011") has been formed. As per the scheme Exercise Price will be the market price of the equity shares of the Company, being the latest available closing price, prior to the date of grant or as may be decided by the Board or Compensation Committee. These options vest uniformly over a period of 10 years, commencing one year after the date of grant. The stock option under each of the slabs, are exercisable by the option holder within a period of five years from the relevant vesting date.

The Compensation Committee of the Board of Directors of the Company has granted stock options as detailed in below table.

Grant date of options	Number of options granted	Vesting date of options
28-Feb-12	1,257,000	01-Mar-13
29-Mar-12	650,000	30-Mar-13
10-Jul-12	150,000	11-Jul-13
17-Sep-12	850,000	18-Sep-13
02-Feb-13	160,000	03-Feb-14
22-Feb-13	150,000	23-Feb-14
09-May-13	250,000	10-May-14
01-Oct-13	400,000	02-Oct-14
31-Oct-13	190,000	01-Nov-14
14-Apr-14	40,000	15-Apr-15

The Company follows the Intrinsic Value method of accounting as prescribed in the Guidance Note on Accounting for Employees Share Based Payments ("Guidance Note"), issued by the Institute of Chartered Accountants of India. Since, on the date of grant, the intrinsic value of the options granted was equal to the exercise price, no deferred employee stock compensation cost has been recorded in the financial statements. The fair value of the options under IWSL ESOS

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

-2011 using the Black-Scholes model, based on the following parameters, is as below, as certified by an independent firm of chartered accountants.

Particulars	IWSL ESOS – 2011								
Grant date of options	28-Feb-12	29-Mar-12	17-Sep-12	2-Feb-13	22-Feb-13	9-May-13	1-Oct-13	31-Oct-13	14-Apr-14
Fair value of option at grant date (₹ per option)	2.49	2.13	0.82	2.45	1.46	1.81	2.65	3.69	4.07
Exercise price (₹ per option)	8.28	7.80	9.10	15.05	12.45	13.65	15.00	17.90	19.10
Expected volatility	21.08%	20.92%	20.43%	19.71%	19.65%	19.61%	20.33%	20.20%	20.02%
Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Option life (Weighted average)	8 Years	8 Years	8 Years	8 Years	8 Years	8 Years	8 Years	8 Years	8 Years
Expected dividend yield	3.26%	3.57%	9.78%	5.98%	7.38%	6.80%	6.19%	5.19%	4.94%
Risk free rate of Interest	8.31%	8.60%	8.16%	7.90%	7.87%	7.51%	8.83%	8.60%	9.02%

The table below provides pro forma disclosures for the impact on the Company's net (loss)/ profit after taxes and basic and diluted earnings per share, had the compensation cost for the stock options granted under IWSL ESOS- 2011 been determined using the fair value method as prescribed in the Guidance Note.

Particulars	For the year ended March 31, 2015		For the year ended March 31, 2014	
	As reported	Pro forma	As reported	Pro forma
Net profit/(loss) available to Equity Shareholders (as reported)	131,275,121	131,275,121	45,271,726	45,271,726
Less : Stock-based employee compensation expense determined using the fair value method for the year: Total Stock-based employee compensation expense recognisable over the vesting period of the options [Gross: Nil (previous year: Rs.8,221,993) (pro forma)]	-	-	-	1,724,976
Net (loss)/ profit considered for computing EPS (pro forma)	131,275,121	131,275,121	45,271,726	43,546,750
Basic earnings per share	2.59	2.59	0.90	0.86
Diluted earnings per share	2.57	2.57	0.87	0.84

During the current year ended March 31, 2015, all the outstanding options of the company under 'Indiabulls Wholesale Services Limited Employee Stock Option Scheme- 2011' have been lapsed in terms of the said ESOP scheme and accordingly all outstanding options were terminated and cancelled. Since there are no outstanding ESOSs as at March 31, 2015, the impact would be nil on the net results and EPS, had the fair value method been used.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

A summary of the movement, during the year, in various IWSL ESOS – 2011 is as below:

Particulars	IWSL ESOS-2011								
Total number of option under Scheme	5,000,000								
Grant date of options under the Scheme	28-Feb-12	29-Mar-12	17-Sep-12	2-Feb-13	22-Feb-13	9-May-13	1-Oct-13	31-Oct-13	14-Apr-14
Number of options outstanding as at April 1, 2014	1,131,300	135,000	744,000	150,000	135,000	250,000	400,000	190,000	—
Number of options granted during the year	—	—	—	—	—	—	—	—	40,000
Number of options vested during the year	125,700	65,000	85,000	16,000	15,000	25,000	40,000	19,000	—
Number of options forfeited/cancelled during the year	1,005,600	120,000	734,000	144,000	135,000	250,000	400,000	190,000	40,000
Number of options exercised during the year	125,700	15,000	10,000	6,000	—	—	—	—	—
Number of options expired during the year	—	—	—	—	—	—	—	—	—
Number of options outstanding as at March 31, 2015	—	—	—	—	—	—	—	—	—
Out of the outstanding option number of options exercisable as at March 31, 2015	—	—	—	—	—	—	—	—	—
Exercise price (₹ per option)	8.28	7.80	9.10	15.05	12.45	13.65	15.00	17.90	18.80
Remaining contractual life (Months)	—	—	—	—	—	—	—	—	—

26. Operating Lease

The company has taken office premises on operating lease at various locations and lease rent of ₹ Nil (Previous year ₹ 251,040) in respect of the same has been charged during the year. There is no office premise on operating lease in current year.

27. Related party transactions

Disclosures in respect of Accounting Standard (AS) – 18 'Related party disclosures', as specified under Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This disclosure also includes the amount due to entities pursuant to clause 32 of listing agreement with stock exchange:

a) Name and nature of relationship with related parties:

Relationship

Name of the related parties

i) Related parties where control exists

- | | |
|--|---|
| <ul style="list-style-type: none"> - Subsidiary Companies | <ul style="list-style-type: none"> - Lucina Infrastructure Limited - Sentia Properties Limited - Albasta Wholesale Services Limited - Store One Retail India Limited - Mahabala Infracon Private Limited (from December 11, 2014) - Airmid Aviation Services Limited (from December 23, 2014) |
|--|---|

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

- Indiabulls Technology Solutions Limited (upto July 10, 2014)
- Archalia Software Solutions Limited (upto July 10, 2014)
- IB Technology Solutions, Inc. (upto July 10, 2014)
- ITSL Holdings (Mauritius) Limited (upto July 10, 2014)
- IB Technology (Proprietary) Limited (upto July 10, 2014)
- C-IB Technology Solutions Pte. Ltd. (upto July 10, 2014)

b) Summary of significant transactions with related parties

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Loans and advances (given) / received back, net		
<i>Subsidiary Companies:</i>		
- Lucina Infrastructure Limited	—	29,680,000
- Sentia Properties Limited	(60,000)	(80,000)
- Store One Retail India Limited	(174,600,000)	—
- Albasta Wholesale Services Limited	(365,000,000)	—
- Mahabala Infracon Private Limited	(26,800,000)	—
Advance taken/(refunded)		
<i>Subsidiary Companies:</i>		
- Albasta Wholesale Services Limited	(150,400,000)	—
Interest Income received on Loans and advances		
<i>Subsidiary Companies:</i>		
- Store One Retail India Limited	10,595,170	—
Travel expense incurred		
<i>Subsidiary Company:</i>		
- Store One Retail India Limited	—	397,818
Maintenance Expense Incurred		
<i>Subsidiary Company:</i>		
- Store One Retail India Limited	—	20,400
Investment made/ (sold) in equity shares		
<i>Subsidiary Company:</i>		
- Store One Retail India Limited	134,200,000	—
- Mahabala Infracon Private Limited	500,000	—
Advisory Income		
<i>Subsidiary Company:</i>		
- Store One Retail India Limited	—	5,000,000
Dividend Income on Preference shares		
<i>Subsidiary company:</i>		
- Store One Retail India Limited	1,781,550	1,781,550
- Albasta Wholesale Services Limited	—	1,285

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

c) **Statement of maximum balance outstanding at any time during the year.**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Loans and advances given		
<i>Subsidiary Companies:</i>		
- Lucina Infrastructure Limited	202,980,100	232,660,100
- Sentia Properties Limited	3,252,426,000	3,252,366,000
- Store One Retail India Limited	276,400,000	—
- Albasta Wholesale Services Limited	365,000,000	—
- Mahabala Infracon Private Limited	26,800,000	—
Advance taken		
<i>Subsidiary Company:</i>		
- Albasta Wholesale Services Limited	150,400,000	150,400,000

d) **Statement of balance outstanding:**

Particulars	As at March 31, 2015	As at March 31, 2014
Loans and advances given		
<i>Subsidiary Companies:</i>		
- Lucina Infrastructure Limited	202,980,100	202,980,100
- Sentia Properties Limited	3,252,426,000	3,252,366,000
- Store One Retail India Limited	174,600,000	—
- Albasta Wholesale Services Limited	365,000,000	—
- Mahabala Infracon Private Limited	26,800,000	—
Advance taken		
<i>Subsidiary Company:</i>		
- Albasta Wholesale Services Limited	—	150,400,000
Interest income receivable		
<i>Subsidiary Company:</i>		
- Store One Retail India Limited	9,535,653	—

In accordance with AS 18, disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed. Related party relationships, as given above, are as identified by the Company and have been relied upon by the auditors.

28. Contingent liabilities and Commitment

a) Contingent liabilities, not acknowledged as debt, include:

Particulars	As at March 31, 2015	As at March 31, 2014
Income tax matters for assessment year 2010-11 in respect of the which appeals have been filed	24,84,323	2,428,094
Income tax matters for assessment year 2012-13 in respect of the which appeals have been filed	15,630,520	—
Corporate guarantee in respect of credit facility availed by subsidiary	615,089,000	211,466,235

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015 (contd.)

(All Amounts in Indian ₹ except share data and where otherwise stated)

The Company has certain litigation cases pending, however, based on legal advice, the management does not expect any unfavourable outcome resulting in material adverse effect on the financial position of the Company.

As per best estimate of the management, no provision is required to be made 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.

b) Commitments

There are no commitments to be reported as on March 31, 2015 and March 31, 2014.

29. Corporate social responsibility expenses

(a) Gross amount required to be spent by the company during the year: ₹ 600,000.

(b) Amount spent during the year on:

Particulars	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	—	—	—
(ii) On purposes other than (i) above	600,000	—	600,000

30. Earnings in foreign currency

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Collection on customer booking	—	591,566

31. The Company has not entered into any derivative instrument during the year. The Company does not have any foreign currency exposures towards receivables, payables or any other derivative instrument that have not been hedged.

32. The Company considers its investment in subsidiaries as strategic and long term in nature and accordingly, in the view of the management, any decline in value of such long-term investments in subsidiaries is considered as temporary in nature and hence no provision is considered necessary.

33. In the opinion of the Board of Directors, all current assets and long term loans & advances, appearing in the balance sheet as at March 31, 2015, have a value on realization, in the ordinary course of the Company's business, at least equal to the amount at which they are stated in the financial statements and hence no provision is required to be made against the recoverability of these balances.

34. Previous year figures have been regrouped and/or re-arranged, wherever necessary to conform to current year groupings and/or classifications.

For **Agarwal Prakash & Co.**
Chartered Accountants

For and on behalf of the board of directors

Prakash Agarwal
Partner

Mehul Johnson
Director
DIN: 00016075

Surinder Singh Kadyan
Whole Time Director
DIN: 03495880

Place: New Delhi
Date: May 04, 2015

Priya Jain
Company Secretary

Saurabh Garg
Chief Financial Officer

Annexure: Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures
[Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 (Form AOC-II)]

Sl. No.	Name of Subsidiary	Reporting period	Reporting Currency	Share capital	Reserve & Surplus	Total Assets (other than investments)	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend (including corporate dividend tax)	% of Shareholding at the end of the reporting period
1	Lucina Infrastructure Limited	2014-15	INR	500,000	(77,294,676)	126,196,660	202,991,336	-	-	(14,471)	-	(14,471)	-	100.00%
2	Sentia Properties Limited	2014-15	INR	500,000	(252,656,469)	3,000,280,767	3,252,437,236	-	-	(14,871)	-	(14,871)	-	100.00%
3	Albasta Wholesale Services Limited	2014-15	INR	1,300,500,000	(271,172,894)	499,947,467	445,296,361	974,676,000	-	981,583	-	981,583	723	100.00%
4	Mahabala Infracon Private Limited*	2014-15	INR	500,000	(733,417)	26,637,819	26,871,236	-	-	(733,417)	-	(733,417)	-	100.00%
5	Airmid Aviation Services Limited**	2014-15	INR	100,000,000	(265,379,920)	2,241,869,810	2,407,249,730	-	360,120,072	140,725,261	(37,394,733)	178,116,994	-	100.00%
6	Store One Retail India Limited	2014-15	INR	305,734,500	1,264,996,413	2,815,556,773	1,244,825,860	-	1,343,682,613	232,631,169	199,353	232,431,816	3,211,169	73.85%

* Became Subsidiary w.e.f December 11, 2014.

** Became Subsidiary w.e.f December 23, 2014.

Note: Names of subsidiaries which have been sold during the year:

1. On July 11, 2014, Indiabulls Technology Solutions Limited has been sold.
2. On July 11, 2014, Archalia Software Solutions Limited has been sold.
3. On July 11, 2014, IB Technology Solutions, Inc has been sold.
4. On July 11, 2014, ITS Holdings (Mauritius) Limited has been sold.
5. On July 11, 2014, IB Technology (Proprietary) Limited has been sold.
6. On July 11, 2014, CIB Technology Solutions (Pte.) Limited has been sold.

For and on behalf of the board of directors

Mehul Johnson
Director
DIN: 00016075

Place: New Delhi
Date: May 04, 2015

Surinder Singh Kadyan
Whole Time Director
DIN: 03495880

Priya Jain
Company Secretary

Saurabh Garg
Chief Financial Officer

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The background of the page is a light cream color, decorated with several large, solid green triangles of various sizes and orientations. One large triangle points towards the top left, another towards the top right, a third towards the bottom left, and a fourth towards the bottom right. A fifth, smaller triangle is located in the middle right area.A photograph showing a construction site. In the foreground, a yellow hard hat sits on a white surface. Behind it, a blurred background shows construction workers and scaffolding.

Indiabulls

Indiabulls Wholesale Services Limited

Indiabulls Wholesale Services Limited, Indiabulls House, 448-451,
Udyog Vihar, Phase - V, Gurgaon - 122016, Haryana.
<http://www.indiabulls.com/wholesale/>