



Independent Auditors' Report

To The Members of

Ibolls Sales Limited

**Report on the Financial Statements**

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

**Management's Responsibility for the Financial Statements**

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

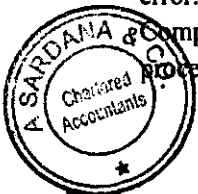
**Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give 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 accounting policies used and the reasonableness of the accounting estimates made by 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 financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31<sup>st</sup> March, 2015, and its profit and its cash flows for the year ended on that date.

### **Report on other Legal and Regulatory Requirements**

1) As required by the Companies (Auditor's Report) Order, 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 paragraphs 3 and 4 of the Order, to the extent applicable.

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

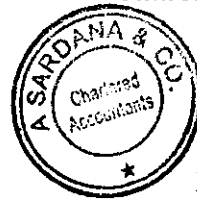
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.
- e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to our 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 derivatives contracts for which there were any material foreseeable losses;
- iii. There were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.

For A Sardana & Co.  
Chartered Accountants

Firm Registration number: 021890N



A handwritten signature in black ink, appearing to read "Ajay Sardana".

Ajay Sardana  
Partner

Membership number: 089011  
New Delhi, April 24, 2015

**Annexure referred to in the Auditor's Report of even date to the Members of Ibulls Sales Limited on the financial statements for the year ended March 31, 2015**

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified annually. In accordance with this programme, fixed assets were verified during the year and no discrepancies were noticed on such verification.
- (ii) The Company does not have any inventories; accordingly, the provisions of clause 4(ii) of the Order are not applicable to the Company.
- (iii) As informed, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- (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 the nature of its business with regard to the sale of services and we have not observed any continuing failure to correct major weaknesses in such internal control system. There were no transactions for the purchase of inventory and fixed assets and for the sale of goods during the year.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. No order has been passed by the Company Law Board of National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for the products of the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Service tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Sales-tax, Wealth tax, duty of Customs, duty of Excise, value added tax and cess. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues were in arrears, as at March 31, 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, as at March 31, 2015, there are no dues of income-tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.

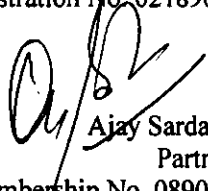


(c) According to the information and explanations given to us and the records of the Company examined by us, there were no amounts required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

- (viii) The Company does not have accumulated losses at the end of the financial year and it has not incurred cash losses in current financial year and in the immediately preceding financial year.
- (ix) The Company has no dues in respect of a financial institution, bank or a debenture holder.
- (x) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xi) The Company did not have any term loans during the year.
- (xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

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



  
Ajay Sardana  
Partner  
Membership No. 089011  
New Delhi, April 24, 2015

**Ibuls Sales Limited**  
**Balance Sheet as at March 31,2015**

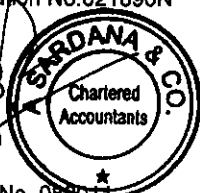
Particulars	Note No.	As at March 31, 2015 Amount (Rs.)	As at March 31, 2014 Amount (Rs.)
<b>I. Equity and liabilities</b>			
<b>Shareholders funds</b>			
(a) Share capital	3	500,000	500,000
(b) Reserves and surplus	4	33,554,013	13,967,252
		<u>34,054,013</u>	<u>14,467,252</u>
<b>Non - current liabilities</b>			
(a) Long term provisions	5	189,861	4,447,112
(b) Deferred tax liabilities (net)	9	18,055	-
		<u>207,916</u>	<u>4,447,112</u>
<b>Current liabilities</b>			
(a) Other current liabilities	6	4,682,615	13,164,015
(b) Short term provisions	7	1,310,000	85,467
		<u>5,992,615</u>	<u>13,249,482</u>
	<b>Total</b>	<u><u>40,254,544</u></u>	<u><u>32,163,846</u></u>
<b>II.Assets</b>			
<b>Non - current assets</b>			
(a) Fixed assets			
Tangible assets	8	356,897	801,497
(b) Deferred tax assets (net)	9	-	1,300,896
(c) Long term loans and advances	10	249,358	2,437,141
		<u>606,255</u>	<u>4,539,534</u>
<b>Current assets</b>			
(a) Trade receivables	11	25,590,000	-
(b) Cash and cash equivalents	12	14,002,919	17,189,854
(c) Short term loans and advances	13	55,370	10,434,458
		<u>39,648,289</u>	<u>27,624,312</u>
	<b>Total</b>	<u><u>40,254,544</u></u>	<u><u>32,163,846</u></u>
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

Ajay Sardana  
Partner  
Membership No. 089611  
New Delhi, April 24, 2015



For and on behalf of the Board of Directors of  
Ibuls Sales Limited

Ashok Sehrawat  
Director  
DIN : 03553378  
New Delhi, April 24, 2015

Akash Malik  
Director  
DIN : 07098562

**Ibolls Sales Limited**  
**Statement of Profit and Loss for the year ended March 31, 2015**

Particulars	Note No.	For the year ended March 31, 2015 Amount (Rs.)	For the year ended March 31, 2014 Amount (Rs.)
I. Revenue from operations	14	65,500,000	171,000,000
II. Other income	15	5,734,373	1,591,136
<b>III. Total revenue</b>	<b>(I+II)</b>	<b><u>71,234,373</u></b>	<b><u>172,591,136</u></b>
<b>IV. Expenses:</b>			
Employee benefits expense	16	34,978,407	157,392,341
Financial costs	17	6,802,130	1,434,663
Depreciation		444,600	161,210
Other expenses	18	243,523	362,024
<b>V. Total expenses</b>		<b><u>42,468,660</u></b>	<b><u>159,350,238</u></b>
<b>VI. Profit before exceptional and extraordinary items and tax</b>	<b>(III - IV)</b>	<b>28,765,713</b>	<b>13,240,898</b>
VII. Exceptional items		-	-
<b>VIII. Profit before extraordinary items and tax (VI - VII)</b>		<b>28,765,713</b>	<b>13,240,898</b>
IX. Extraordinary items		-	-
<b>X. Profit before tax (VIII - IX)</b>		<b>28,765,713</b>	<b>13,240,898</b>
XI. Tax expense:			
(1) Current Tax		7,860,000	4,018,335
(2) Tax expenses of earlier years		-	12,382
(3) Deferred tax expenses/(credit)		1,318,952	20,371
		<b><u>9,178,952</u></b>	<b><u>4,051,088</u></b>
<b>XII. Profit for the year from continuing operations (X-XI)</b>		<b>19,586,761</b>	<b>9,189,810</b>
XIII. Profit from discontinuing operations		-	-
XIV. Tax expense of discontinuing operations		-	-
<b>XV. Profit from discontinuing operations after tax (XIII - XIV)</b>		<b>-</b>	<b>-</b>
<b>XVI. Profit for the year (XII + XV)</b>		<b><u>19,586,761</u></b>	<b><u>9,189,810</u></b>
XVII. Earnings per equity share:	30		
(1) Basic		391.74	183.80
(2) Diluted		391.74	183.80
(3) Nominal value per equity share		10.00	10.00

Summary of significant accounting policies

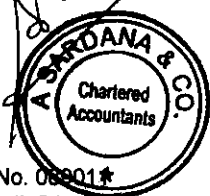
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The accompanying notes are an integral part of the financial statements

As per our report of even date

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

Ajay Sardana  
Partner  
Membership No. 06901\*  
New Delhi, April 24, 2015



For and on behalf of the Board of Directors of  
Ibolls Sales Limited

Ashok Sehrawat  
Director  
DIN : 03553378  
New Delhi, April 24, 2015

Akash Malik  
Director  
DIN : 07098562

**Ibulla Sales Limited**  
Cash flow statement for the year ended March 31, 2015

	For the year ended March 31, 2015 Amount (Rs.)	For the year ended March 31, 2014 Amount (Rs.)
<b>A Cash flow from operating activities :</b>		
Net Profit before tax	28,765,713	13,240,898
Adjustments for :		
Interest income	-	(9,062)
Dividend on units of mutual funds	(3,258,555)	(270,041)
Profit on redemption of mutual funds	(537,292)	(20,749)
Provision written back	-	(348,554)
Reversal of provision for compensated absences	-	(199,185)
Provision for gratuity and compensated absences	-	189,266
Bad debts written off	-	74,216
Interest on loan	6,797,085	1,386,953
Depreciation	444,600	161,210
<b>Operating profit before working capital changes</b>	<b>32,211,551</b>	<b>14,204,952</b>
Changes in working capital:		
Other current liabilities	(11,514,119)	(508,992)
Trade receivables and short-term loans and advances	(25,608,123)	7,533,189
<b>Cash generated from/(used in) operations</b>	<b>(4,910,691)</b>	<b>21,229,149</b>
Direct taxes (paid)/refund (net)	4,724,993	(3,856,639)
<b>Net cash generated from/(used in) operating activities</b>	<b>(185,698)</b>	<b>17,372,510</b>
<b>B Cash flow from investing activities</b>		
Dividend received on units of mutual funds	3,258,555	270,041
Profit on redemption of mutual funds	537,292	20,749
Interest received	-	9,062
<b>Net cash generated from investing activities</b>	<b>3,795,847</b>	<b>299,852</b>
<b>C Cash flow from financing activities</b>		
Loan taken from/(repaid to) fellow subsidiary Company	-	(5,000,000)
Interest paid on loan	(6,797,085)	(1,386,953)
<b>Net cash used in financing activities</b>	<b>(6,797,085)</b>	<b>(6,386,953)</b>
<b>D Net increase / (decrease) in cash and cash equivalents ( A+B+C )</b>	<b>(3,186,936)</b>	<b>11,285,409</b>
<b>E Cash and cash equivalents at the beginning of the year</b>	<b>17,189,854</b>	<b>5,904,445</b>
<b>F Cash and cash equivalents at the close of the year ( D + E )</b>	<b>14,002,918</b>	<b>17,189,854</b>

**Note :**

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

- Cash and Cash equivalents as at the close of the year:

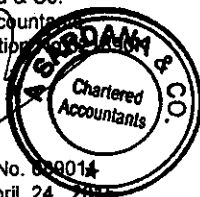
Cash on hand	3,883	4,623
Balances with scheduled banks		
In current accounts	13,999,036	17,185,231
<b>Cash and cash equivalents at the end of the year</b>	<b>14,002,919</b>	<b>17,189,854</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

For A Sardana & Co.  
Chartered Accountants  
Firm Registration No. 00014

Ajay Sardana  
Partner  
Membership No. 00014  
New Delhi, April 24, 2015



For and on behalf of the Board of Directors of  
Ibulla Sales Limited

Ashok Sehrawat  
Director  
DIN : 03553378  
New Delhi, April 24, 2015

Akash Malik  
Director  
DIN : 07098562



**Ibulla Sales Limited**  
**Notes to financial statements as at March 31, 2015**

**Note - 1**

**Corporate Information:**

Ibulla Sales Limited ("the Company"), was incorporated as Fast Loans Services Limited on October 9, 2006 as a wholly owned subsidiary of Indiabulls Financial Services Limited ("IBFSL") with an authorized capital of Rs. 5,000,000 divided into 500,000 equity shares of Rs. 10 each. On March 9, 2010, pursuant to the approval of its members, the Company increased its Authorized Capital to Rs. 50,000,000 divided into 5,000,000 equity shares of Rs.10 each. During the year ended March 31, 2015 the Company was primarily engaged in acting as commission agent and providing related business auxiliary services to various insurance companies.

In accordance with the provisions of Section 21 and other applicable provisions of the Companies Act, 1956, the members of the company at their Extraordinary General Meeting held on March 09, 2010, accorded their approval to change the name of the Company. The Company has since received fresh certificate of incorporation consequent upon change of name, from the Registrar of Companies, National Capital Territory of Delhi & Haryana, dated March 11, 2010. Accordingly, the name of the Company was changed from Fast Loans Services Limited to Indiabulls Sales Limited. Further in accordance with the provisions of Section 21 and other applicable provisions of the Companies Act, 1956, the members of the company at their Extraordinary General Meeting held on March 12, 2010, accorded their approval to change the name of the Company. The Company has since received fresh certificate of incorporation consequent upon change of name, from the Registrar of Companies, National Capital Territory of Delhi & Haryana, dated March 16, 2010. Accordingly, the name of the Company was changed from Indiabulls Sales Limited to Ibulla Sales Limited.

**Note - 2**

**Summary of significant accounting policies:**

**i) Basis of Accounting:**

The financial statements are prepared under the historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and Accounting Standards (AS) under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation and employee benefits.

**ii) Use of estimates:**

The presentation of financial statements in conformity with GAAP requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known / materialised.

**iii) Cash and cash equivalents:**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**iv) Cash flow statement:**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**v) Revenue recognition:**

- (a) Income from commission/consultancy fees is recognized on an accrual basis as the related services are rendered.
- (b) Service charges is recognized on accrual basis as the related services are rendered
- (c) Interest income is recognized on accrual basis.
- (d) Dividend income on units of Mutual Fund is recognised when the right to receive dividend is unconditionally established.
- (e) Profit/ (loss) on redemption of units of Mutual Funds is recognised on actual basis.

**vi) Investments:**

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

**vii) Borrowing cost:**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of the asset. All other borrowing costs are charged to revenue.

**viii) Fixed assets:**

**(a) Tangible assets:**

Tangible fixed assets are stated at cost, less accumulated depreciation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

**(b) Intangible assets:**

Intangible assets are stated at cost, less accumulated amortisation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition.

**ix) Depreciation / Amortisation:**

Depreciation on tangible fixed assets is provided on straight-line method at the rates specified in Schedule II to the Companies Act, 2013.

Depreciation on additions to fixed assets is provided on a pro-rata basis from the date the asset is put to use. Depreciation on sale / deduction from fixed assets is provided for up to the date of sale / deduction, as the case may be. Assets costing less than Rs. 5,000 each are fully depreciated in the year of capitalisation.

Intangible assets consisting of Software are amortised on a straight line basis over a period of four years from the date when the assets are available for use.



**Ibulla Sales Limited**  
**Notes to financial statements as at March 31, 2015**

**x) Impairment of assets:**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**xi) Employee benefits:**

The Company's contribution to Provident Fund is charged to Statement of Profit and Loss. As permitted under Accounting Standard 15 (Revised 2005) - Employee Benefits, as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, in respect of companies with few employees, retirement benefits in the form of Gratuity and Compensated Absences payable to employees is provided for on the accrual basis under the assumption that such benefits are payable at year end.

**xii) Deferred employee stock compensation cost:**

The Company follows intrinsic value method as per Guidance Note on Accounting for Employee Share-based Payments issued by The Institute of Chartered Accountants of India for accounting Employee Stock Options granted. Deferred employee stock compensation cost for stock options are recognized and measured by the difference between the estimated value of the Company's shares at the stock options grant date and the exercise price to be paid by the option holders. The compensation expense is amortized over the vesting period of the options. The fair value of options for disclosure purpose is measured on the basis of a valuation performed in respect of stock options granted.

**xiii) Taxes on income:**

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

Deferred tax resulting from timing differences between book and tax profits is accounted for at the current rate of tax / substantively enacted tax rates at the Balance Sheet Date as applicable to the extent that the timing differences are expected to crystallise.

Deferred Tax Assets are recognized where realization is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation deferred tax assets are recognized only if there is a virtual certainty of realization backed by convincing evidence. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

**xiv) Leases:**

In case of assets taken on operating lease the lease rentals are charged to the Statement of Profit and Loss and assets taken on finance lease have been capitalized in accordance with Accounting Standard (AS) - 19 on Leases notified under the companies (Accounting Standards) Rules 2006 as amended.

**xv) 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.

**xvi) Provisions contingent liabilities and contingent assets:**

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent liability is disclosed for:

(1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

(2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made. Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

**xvii) Share issue expenses:**

Share issue expenses are adjusted against securities premium account to the extent of balance available and thereafter, the balance portion is charged off to the Statement of Profit and Loss, as incurred.

**xviii) Segment reporting:**

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

**xix) Earnings per share:**

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive potential equity shares outstanding during the year except where the results would be anti-dilutive.



**Ibulls Sales Limited**  
Notes to financial statements as at March 31, 2015

**Note - 3**  
**Share capital:**

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
<b>Authorised:</b>				
Equity Shares of face value of Rs. 10 each	500,000	5,000,000	500,000	5,000,000
<b>Issued, subscribed and paid up:</b>				
Equity Shares of face value of Rs. 10 each fully paid up	50,000	500,000	50,000	500,000
<b>As per Balance Sheet</b>		<u>500,000</u>		<u>500,000</u>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:**

Equity Shares	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Shares outstanding at beginning of the reporting year	50,000	500,000	50,000	500,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at end of the reporting year</b>	<u>50,000</u>	<u>500,000</u>	<u>50,000</u>	<u>500,000</u>

**b. Terms/ rights attached to equity shares:**

The Company has only class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

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

**c. Detail of Shareholders holding 5% or more shares:**

No. of shareholders	As at March 31, 2015		As at March 31, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of face value of Rs. 10 each fully paid up				
The entire share capital is held by Indiabulls Housing Finance Limited ("the holding Company") and its nominees	50,000	100%	50,000	100%

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

**d. Employees stock option schemes : (Refer Note 29).**

	As at March 31, 2015 Amount (Rs.)	As at March 31, 2014 Amount (Rs.)
<b>Note - 4</b>		
<b>Reserves and surplus:</b>		
<b>Surplus / (deficit) in the Statement of Profit and Loss</b>		
Opening balance	13,967,252	4,777,442
Add : Profit during the year	19,586,761	9,189,810
<b>As per Balance Sheet</b>	<u>33,554,013</u>	<u>13,967,252</u>



**Ibulla Sales Limited**  
Notes to financial statements as at March 31, 2015

	As at March 31, 2015 Amount (Rs.)	As at March 31, 2014 Amount (Rs.)
<b>Note - 5</b>		
<b>Long term provisions:</b>		
<b>Provision for employee benefits:</b>		
Provision for gratuity (Refer Note: 26)	146,244	3,051,979
Provision for compensated absences (Refer Note: 26)	43,617	1,395,133
<b>As per Balance Sheet</b>	<b>189,861</b>	<b>4,447,112</b>

	As at March 31, 2015 Amount (Rs.)	As at March 31, 2014 Amount (Rs.)
<b>Note - 6</b>		
<b>Other current liabilities:</b>		
Statutory liabilities	234,195	1,263,502
Expenses payable	4,448,420	11,900,513
<b>As per Balance Sheet</b>	<b>4,682,615</b>	<b>13,164,015</b>

	As at March 31, 2015 Amount (Rs.)	As at March 31, 2014 Amount (Rs.)
<b>Note - 7</b>		
<b>Short term provisions:</b>		
<b>Provision for employee benefits:</b>		
Provision for gratuity (Refer Note: 26)	-	29,953
Provision for compensated absences (Refer Note: 26)	-	55,514
<b>Provision for other:</b>		
Provision for taxation	1,310,000	-
[Net of tax deducted at source Rs. 6,550,000 (Previous year Rs. Nil)]		
<b>As per Balance Sheet</b>	<b>1,310,000</b>	<b>85,467</b>

**Note - 8**  
**Tangible assets:**

Particulars	Amount (Rs.)	
	Computers	Total
Opening balance as at April 01, 2013	-	-
Additions during the year	994,507	994,507
Adjustments/Sales during the year	-	-
<b>As at March 31, 2014</b>	<b>994,507</b>	<b>994,507</b>
Additions during the year	-	-
Adjustments/Sales during the year	-	-
<b>As at March 31, 2015</b>	<b>994,507</b>	<b>994,507</b>
<b>Depreciation</b>		
Opening balance as at April 01, 2013	31,800	31,800
Charge for the year	161,210	161,210
Adjustments/Sales during the year	-	-
<b>As at March 31, 2014</b>	<b>193,010</b>	<b>193,010</b>
Charge for the year	444,600	444,600
Adjustments/Sales during the year	-	-
<b>As at March 31, 2015</b>	<b>637,610</b>	<b>637,610</b>
<b>Net block</b>		
<b>As at March 31, 2014</b>	<b>801,497</b>	<b>801,497</b>
<b>As at March 31, 2015</b>	<b>356,897</b>	<b>356,897</b>

In accordance with the requirements of Schedule II of the Companies Act, 2013, the Company has re-assessed the useful lives and residual values of its fixed assets and an amount of Rs.2,83,390 has been charged to the Statement of Profit and Loss representing the additional depreciation on the carrying value of its assets as at April 1, 2014 due to change in useful lives of the assets.



**Ibulla Sales Limited**  
Notes to financial statements as at March 31,2015

	As at March 31, 2015 Amount (Rs.)	As at March 31, 2014 Amount (Rs.)
<b>Note - 9</b>		
<b>Deferred tax liabilities/assets (net):</b>		
<b>Deferred tax asset</b>		
Arising on account of temporary differences due to:		
On account of provision for gratuity	47,449	999,933
On account of provision for compensated absences	14,152	470,662
	61,601	1,470,595
<b>Deferred tax liability</b>		
Arising on account of temporary differences due to:		
Depreciation	79,656	169,699
	79,656	169,699
<b>As per Balance Sheet</b>	<b>18,055</b>	<b>1,300,896</b>

In compliance with AS - 22 'Accounting for Taxes on Income', as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, the Company has recorded deferred tax expenses of Rs. 1,318,952 (Previous year Rs. 20,371) to the Statement of Profit and Loss for the year.

	As at March 31, 2015 Amount (Rs.)	As at March 31, 2014 Amount (Rs.)
<b>Note - 10</b>		
<b>Long term loans and advances</b>		
Unsecured considered good		
<b>Balance with government authorities</b>		
Income tax recoverable	249,358	2,437,141
[Net of provision for taxation Rs. 4,720,448 (Previous year Rs. 702, 113)]		
<b>As per Balance Sheet</b>	<b>249,358</b>	<b>2,437,141</b>

	As at March 31, 2015 Amount (Rs.)	As at March 31, 2014 Amount (Rs.)
<b>Note - 11</b>		
<b>Trade receivables:</b>		
(Unsecured, Considered good)		
Debts outstanding for a period exceeding six months	-	-
Other trade receivables	25,590,000	-
<b>As per Balance Sheet</b>	<b>25,590,000</b>	<b>-</b>

	As at March 31, 2015 Amount (Rs.)	As at March 31, 2014 Amount (Rs.)
<b>Note - 12</b>		
<b>Cash and cash equivalents:</b>		
(a) Cash on hand	3,883	4,623
(b) Balances with scheduled banks		
In current accounts	13,999,036	17,185,231
<b>As per Balance Sheet</b>	<b>14,002,919</b>	<b>17,189,854</b>



**Ibulla Sales Limited**  
**Notes to financial statements as at March 31,2015**

	<b>As at March 31, 2015 Amount (Rs.)</b>	<b>As at March 31, 2014 Amount (Rs.)</b>
<b>Note - 13</b>		
<b>Short term loans and advances:</b>		
<b>Unsecured, Considered good</b>		
<b>(a) Loans and advances to employees</b>	46,636	24,800
	46,636	24,800
<b>(b) Balances with government authorities</b>		
(i) Service tax input credit	-	528
(ii) Income tax recoverable	-	10,397,211
[Net of provision for tax Rs.Nil (Previous year Rs. 4,018,335)]	-	10,397,739
<b>(c) Other loan and advances</b>		
Advances recoverable in cash or in kind or for value to be received	8,734	11,919
	8,734	11,919
<b>As per Balance Sheet</b>	55,370	10,434,458

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**Ibulla Sales Limited**  
**Notes to financial statements as at March 31, 2015**

	For the year ended March 31, 2015 Amount (Rs.)	For the year ended March 31, 2014 Amount (Rs.)
<b>Note - 14</b>		
<b>Revenue from operations:</b>		
Service charges	65,500,000	171,000,000
<b>As per Statement of Profit and Loss</b>	<b>65,500,000</b>	<b>171,000,000</b>
	For the year ended March 31, 2015 Amount (Rs.)	For the year ended March 31, 2014 Amount (Rs.)
<b>Note - 15</b>		
<b>Other income:</b>		
Interest income on loan	-	9,082
Interest on income tax refund	176,896	743,545
Dividend on units of mutual funds	3,258,555	270,041
Profit on redemption of mutual funds	537,292	20,749
Reversal of provision for compensated absences	-	348,554
Provisions written back	1,761,630	199,185
<b>As per Statement of Profit and Loss</b>	<b>5,734,373</b>	<b>1,591,136</b>
	For the year ended March 31, 2015 Amount (Rs.)	For the year ended March 31, 2014 Amount (Rs.)
<b>Note - 16</b>		
<b>Employee benefits expense:</b>		
Salaries	33,595,003	152,792,837
Contribution to provident fund and other statutory funds	1,193,544	4,410,238
Provision for gratuity and compensated absences	189,860	189,266
<b>As per Statement of Profit and Loss</b>	<b>34,978,407</b>	<b>157,392,341</b>
	For the year ended March 31, 2015 Amount (Rs.)	For the year ended March 31, 2014 Amount (Rs.)
<b>Note - 17</b>		
<b>Finance costs:</b>		
Interest on taxes	5,045	47,710
Interest on loan	6,797,085	1,388,953
<b>As per Statement of Profit and Loss</b>	<b>6,802,130</b>	<b>1,434,663</b>
	For the year ended March 31, 2015 Amount (Rs.)	For the year ended March 31, 2014 Amount (Rs.)
<b>Note - 18</b>		
<b>Other expenses:</b>		
Statutory fees	52,425	47,369
Professional and consultancy fees	86,450	119,501
Travelling and conveyance	-	17,237
Printing and stationary	28,109	51,686
Communication expenses	-	39
Miscellaneous expenses	51,540	23,886
Auditors' remuneration	25,000	28,090
Bad debts written off	-	74,216
<b>As per Statement of Profit and Loss</b>	<b>243,523</b>	<b>362,024</b>



**Ibulla Sales Limited**  
**Notes to financial statements as at March 31, 2015**

**Note - 19**

As per the best estimate of the management, no provision is required to be made as per Accounting Standard 29 (AS 29) – Provisions, Contingent Liabilities and Contingent Assets as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.

**Note - 20**

In the opinion of the Board of Directors, all current assets, loans and 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 balance sheet and no provision is required to be made against the recoverability of these balances.

**Note - 21**

The Company has not entered into any derivative instruments during the year. The Company does not have any foreign currency exposures as at March 31, 2015 (Previous year Rs. Nil).

**Note - 22**

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

Particulars	As at March 31, 2015 Amount (Rs.)	As at March 31, 2014 Amount (Rs.)
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
(iv) The amount of interest due and payable for the year	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

**Note - 23**

There are no borrowing costs to be capitalised as at March 31, 2015 (Previous year Rs. Nil).

**Note - 24**

(a) There are no contingent liabilities to be reported as at March 31, 2015 (Previous year Rs. Nil).

(b) There are no capital and other commitments to be reported as at March 31, 2015 (Previous year Rs. Nil)

**Note - 25**

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

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**Ibulla Sales Limited**  
Notes to financial statements as at March 31, 2015

Note - 26

Employee benefits:

**(a) Defined contribution plans**

The Company's contribution amounting to Rs. 77,323/- (Previous year Rs. 8,013) to defined contribution plan (Provident Fund) is recognised as expenses in the Statement of Profit and Loss for the year ended March 31, 2015.

**(b) Defined benefits plan**

In view of the fact that the Company has only a few employees during the year ended March 31, 2015, the Company has changed its accounting policy as permitted under AS 15, in respect of companies with a few employees, retirement benefits in the form of Gratuity and Compensated Absences payable to employees is provided for on the accrual basis under the assumption that such benefits are payable at year end. In prior years, the Company's policy was to determine liability such employee benefits, on the basis of an actuarial valuation conducted annually by an independent actuary in accordance with Accounting Standards 15. Consequently, the Company has not obtained an actuarial valuation for determining its liability on account of Gratuity and Compensated Absences as at March 31, 2015. Accordingly, during the year ended March 31, 2015, the Company has provided for Rs. 148,244 on account of provision for gratuity and Rs. 43,817 on account of provision for compensated absences on accrual basis in the Statement of Profit and Loss.

Disclosures relating to provision for Gratuity and Compensated Absences as at March 31, 2014, determined on the basis of actuarial valuation are given below:

Till March 31, 2014, provision for Gratuity and Compensated Absences for all employees was determined upon actuarial valuation done semi-annually every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. After the issuance of the Accounting Standard (AS) 15 (Revised) on 'Employee Benefits', commitments were actuarially determined using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions were accounted for in the Statement of Profit and Loss.

Particulars	Amount (Rs.)			
	Gratuity (unfunded) March 31, 2015	Gratuity (unfunded) March 31, 2014	Compensated absences (unfunded) March 31, 2015	Compensated absences (unfunded) March 31, 2014
<b>Reconciliation of liability recognized in the Balance Sheet:</b>				
Present value of commitments (as per actuarial valuation)	-	3,081,932	-	1,450,647
Fair value of plans	-	-	-	-
Net liability in the Balance Sheet (Actual)	-	3,081,932	-	1,450,647
<b>Movement in net liability recognized in the Balance Sheet:</b>				
Net liability as at beginning of the year	-	2,892,666	-	1,649,832
Net expense/(gain) recognized in the Statement of Profit and Loss	-	189,266	-	(199,185)
Transfer from Holding Company (on account of transfer of employees)	-	-	-	-
Contribution during the year	-	-	-	-
Net liability as at end of the year	-	3,081,932	-	1,450,647
<b>Expense recognized in the Statement of Profit and Loss</b>				
Current service cost	-	991,871	-	492,803
Interest cost	-	231,413	-	131,987
Expected return on plan assets	-	-	-	-
Actuarial (gains)/ losses	-	(1,034,018)	-	(823,975)
Expense/(Income) charged to the Statement of Profit and Loss	-	189,266	-	(199,185)
<b>Return on plan assets:</b>				
Expected return on plan assets	-	-	-	-
Actuarial (gains)/ losses	-	-	-	-
Actual return on plan assets	-	-	-	-
<b>Reconciliation of defined-benefit commitments:</b>				
As at beginning of the year	-	2,892,666	-	1,649,832
Current service cost	-	991,871	-	492,803
Interest cost	-	231,413	-	131,987
Transfer from Holding Company (on account of transfer of employees)	-	-	-	-
Actuarial (gains)/ losses	-	(1,034,018)	-	(823,975)
Commitments as at end of the year	-	3,081,932	-	1,450,647
<b>Reconciliation of plan assets:</b>				
Plan assets as at beginning of the year	-	-	-	-
Expected return on plan assets	-	-	-	-
Contributions during the year	-	-	-	-
Paid benefits	-	-	-	-
Actuarial (gains)/ losses	-	-	-	-
Plan assets as at end of the year	-	-	-	-



**Ibills Sales Limited**  
Notes to financial statements as at March 31, 2015

Note - 26

Employee benefits: (Continued)

Experience adjustments:

Particulars	Gratuity (Unfunded)				
	Financial years				
	2014-15	2013-14	2012-13	2011-12	2010-11
On plan liabilities	-	740,125	884,390	N.A.	N.A.
On plan assets	-	N.A.	N.A.	N.A.	N.A.
Present value of benefit obligation	-	3,081,932	2,892,666	N.A.	N.A.
Fair value of plan assets	-	N.A.	N.A.	N.A.	N.A.
Excess of (obligation over plan assets)/plan assets over obligation	-	3,081,932	2,892,666	N.A.	N.A.
Particulars	Compensated absences (Unfunded)				
	Financial years				
	2014-15	2013-14	2012-13	2011-12	2010-11
On plan liabilities	-	694,231	1,059,161	N.A.	N.A.
On plan assets	-	N.A.	N.A.	N.A.	N.A.
Present value of benefit obligation	-	1,450,847	1,649,832	N.A.	N.A.
Fair value of plan assets	-	N.A.	N.A.	N.A.	N.A.
Excess of (obligation over plan assets)/plan assets over obligation	-	1,450,847	1,649,832	N.A.	N.A.

The actuarial calculations used to estimate commitments and expenses in respect of Gratuity and Compensated Absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expense.

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Discount rate – Gratuity and Compensated Absences	-	8.50%
Expected return on plan assets	-	N.A.
Expected rate of salary increase	-	5.00%
Mortality table	-	IALM (2006-08)

N.A.: Not Applicable

The employer best estimate of contributions expected to be paid during the annual period beginning after March 31, 2015, towards Gratuity and Compensated Absences is Rs. Nil (Previous year Rs. 1,580,166) and Rs. Nil (Previous year Rs. 510,045) respectively.

Note - 27

Segment reporting:

The Company's primary business segment is reflected based on principal business activities carried on by it. The Company is engaged in the single primary business segment of acting as a commission agent and to provide related business auxiliary services. The Company operates solely in one Geographic segment namely "Within India". No further disclosures are required under Accounting Standard 17, Segment Reporting, as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, other than those already provided in the financial statements.

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**Ibolls Sales Limited**  
Notes to financial statements as at March 31, 2015

Note - 28

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

(a) Details of related parties:

Description of relationship	Names of related parties
Holding Company	Indiabulls Housing Finance Limited
Fellow Subsidiary Companies	Indiabulls Advisory Services Limited
	Nilgiri Financial Consultants Limited (Subsidiary of Indiabulls Insurance Advisors Limited)
	Indiabulls Insurance Advisors Limited
	Indiabulls Asset Holding Company Limited
	Indiabulls Asset Reconstruction Company Limited (Subsidiary of Indiabulls Advisory Services Limited)
	Indiabulls Collection Agency Limited
	Indiabulls Commercial Credit Limited (Formerly known as Indiabulls Infrastructure credit Limited)
	Indiabulls Finance Company Private Limited
	Indiabulls Capital Services Limited
	Indiabulls Life Insurance Company Limited
	Indiabulls Trustee Company Limited
	Indiabulls Asset Management Company Limited
	Indiabulls Venture Capital Management Company Limited (Subsidiary of Indiabulls Holdings Limited)
	Indiabulls Venture Capital Trustee Company Limited (Subsidiary of Indiabulls Holdings Limited)
Indiabulls Holdings Limited	
Key Management Personnel	Mr. Ashok Sehrawat – Director
	Mr. Akash Malik – Director
	Mr. Narender Singh Arya – Director
	Mr. Nafees Ahmed – Director

(b) Significant transactions with related parties:

Nature of Transaction	Amount (Rs.)		
	Holding Company	Fellow and step-down subsidiaries	Total
<b>Finance</b>			
Loan taken	294,000,000	9,200,000	303,200,000
(Maximum balance outstanding at any time during the year)	-	35,440,000	35,440,000
Loan given	-	-	-
(Maximum balance outstanding at any time during the year)	-	4,500,000	4,500,000
<b>Income</b>			
Interest income	-	-	-
	-	9,062	9,062
<b>Expenses</b>			
Interest expenses	6,764,186	32,900	6,797,086
	-	1,386,953	1,386,953

(Previous year's figures are stated in italics)

(c) Statement of material transactions:

Particulars	Amount (Rs.)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Loan taken</b>		
(Maximum balance outstanding at any time during the year)		
- Indiabulls Housing Finance Limited	294,000,000	-
- Indiabulls Collection Agency Limited	9,200,000	35,440,000
<b>Loan given</b>		
(Maximum balance outstanding at any time during the year)		
- Indiabulls Advisory Services Limited	-	4,500,000
<b>Income</b>		
<b>Interest income</b>		
- Indiabulls Advisory Services Limited	-	9,062
<b>Expenses</b>		
<b>Interest expenses</b>		
- Indiabulls Housing Finance Limited	6,764,186	-
- Indiabulls Collection Agency Limited	32,900	1,386,953

(d) Outstanding at year ended March 31, 2015

Rs. Nil (Previous year Rs. Nil)

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



Note - 29

Employees Stock Options Schemes of Indiabulls Housing Finance Limited ("the Holding Company" "IHFL"):

(a) Stock option schemes of IBFSL ("the erstwhile Holding Company") including schemes in lieu of stock options schemes of its erstwhile subsidiary Indiabulls Credit Services Limited transferred under the Court approved Scheme of Arrangement :

S. No.	Erstwhile Plans	New Plans*
1	IBFSL - ICSL Employees Stock Option Plan 2008	IHFL-IBFSL Employees Stock Option Plan 2008
2	IBFSL - ICSL Employees Stock Option Plan II - 2008	IHFL - IBFSL Employees Stock Option Plan II - 2008
3	Employees Stock Option 2008	IHFL - IBFSL Employees Stock Option -2008

\*The name of the schemes has been revised by the approval of the Shareholders of the Holding Company in the 8th Annual General Meeting held on July 1, 2013.

(b) IHFL ESOS - 2013

The members of IHFL at their Meeting dated March 6, 2013 approved the IHFL ESOS - 2013 scheme consisting of 39,000,000 stock options representing 39,000,000 fully paid up Equity Shares of Rs. 2 each of IHFL to be issued in one or more tranches to its eligible employees or to eligible employees of its subsidiaries / step down subsidiaries. The Compensation Committee constituted by the Board of Directors of IHFL has, at its meeting held on October 11, 2014, granted, 10,500,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 394.75, being the then latest available closing market price on the National Stock Exchange of India Ltd. as on October 10, 2014 following the intrinsic method of accounting as is prescribed in the Guidance Note issued by the Institute of Chartered Accountants of India on Accounting for Employee Share Based Payments ("the Guidelines"). As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. These options vest with effect from the first vesting date i.e. October 11, 2015, whereby the options vest on each vesting date as per the vesting schedule provided in the Scheme

(c) The other disclosures in respect of the ESOS/ESOP Schemes are as under:

Particulars	IHFL-IBFSL Employees Stock Option Plan - 2006	IHFL-IBFSL Employees Stock Option Plan II - 2006	IHFL-IBFSL Employees Stock Option - 2008	IHFL ESOS - 2013	IHFL-IBFSL Employees Stock Option - 2008 -Regrant	IHFL-IBFSL Employees Stock Option - 2008-Regrant	IHFL-IBFSL Employees Stock Option Plan - 2006 -Regrant	IHFL-IBFSL Employees Stock Option - 2008 -Regrant	IHFL-IBFSL Employees Stock Option Plan II - 2006 -Regrant
Total Options under the Scheme	1440000	720000	7500000	39000000	N.A.	N.A.	N.A.	N.A.	N.A.
Options issued	1440000	720000	7500000	10500000	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Period and Percentage	Four years, 25% each year	Four years, 25% each year	Ten years, 15% First year, 10% for next eight years and 5% in last year	Five years, 20% each year	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Date	1st April	1st November	8th December	11th October	31st December	16th July	27th August	11th January	27th August
Revised Vesting Period & Percentage	Eight years, 12% each year for 7 years and 16% during the 8th year	Nine years, 11% each year for 8 years and 12% during the 9th year	N.A.	N.A.	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	41.67	100	95.95	394.75	125.9	158.5	95.95	153.65	100
Exercisable Period	4 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year (Nos.)	205668	99951	2324002	10500000	58050	143550	276500	148500	153300
Regrant Addition	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Regrant Date	N.A.	N.A.	N.A.	N.A.	December 31, 2009	July 16, 2010	August 27, 2009	January 11, 2011	August 27, 2009
Options vested during the year (Nos.)	60534	25581	420310	-	6840	20440	39500	1500	21900
Exercised during the year (Nos.)	57294	29145	471874	-	20610	20100	39500	5300	21900
Expired during the year (Nos.)	-	-	-	-	-	-	-	-	-
Cancelled during the year	-	-	-	-	-	-	-	-	-
Lapsed during the year	43848	7680	256040	32000	-	-	-	132500	-
Re-granted during the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Outstanding at the end of the year (Nos.)	104526	63126	1596088	10468000	37440	123450	237000	10700	131400
Exercisable at the end of the year (Nos.)	1080	15153	129584	-	3240	810	39500	1700	21900
Remaining contractual Life (Weighted Months)	55	67	81	90	90	93	83	93	83

N.A. - Not Applicable

Indiabulls Financial Services Limited (IBFSL) and its erstwhile subsidiary, Indiabulls Credit Services Limited had announced the above ESOS/ESOP schemes for its employees and the employees of other group companies wherein each option represents one Equity Share of IHFL. The Company had adopted the ESOS/ESOP scheme in respect of its employees. A Compensation Committee constituted by the Board of Directors of IHFL administers each of the above plans.

There is no impact on the Company's net profit and earnings per share in respect of the above schemes had the compensation cost for the stock options granted been determined based on the fair value approach.



**Ibulla Sales Limited**  
**Notes to financial statements as at March 31, 2015**

**Note - 30**

**Earnings per share:**

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

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

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Net Profit/(Loss) available for equity shareholders (Rs.)	19,588,761	9,189,810
Weighted average number of equity shares used for computing Basic and Diluted earnings per share	50,000	50,000
Nominal value of equity shares – (Rs. Per Share)	10.00	10.00
Earnings per share – Basic and Diluted (Rs. Per Share)	391.74	183.80

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Ibulls Sales Limited  
Notes to financial statements as at March 31, 2015

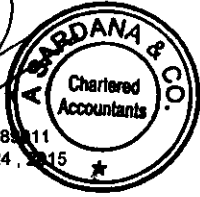
Note - 31

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

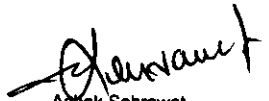
As per our report of even date

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

Ajay Sardana  
Partner  
Membership No. 083011  
New Delhi, April 24, 2015



For and on behalf of the Board of Directors of  
Ibulls Sales Limited

  
Ashok Sehrawat  
Director  
DIN : 03553378  
New Delhi, April 24, 2015

  
Akash Malik  
Director  
DIN : 07098562