

INDIABULLS RURAL FINANCE PRIVATE LIMITED

[formerly known as Littleman Fiscal Services Private Limited]

Balance sheet as at 31 March 2019

Particulars	Note No.	<i>All amount in ₹, unless otherwise stated</i>	
		As at 31 March 2019	As at 31 March 2018
I EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	4	417,974,000	17,974,000
(b) Reserves and surplus	5	749,235,642	3,388,274
		1,167,209,642	21,362,274
Non-current liabilities			
(a) Long-term provisions	6A	3,616,148	52,470
		3,616,148	52,470
Current liabilities			
(a) Trade payable	7	-	-
(i) total outstanding dues of micro enterprises and small enterprises; and		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.		742,262	-
(b) Other current liabilities	8	327,341,838	17,483
(c) Short term provisions	6B	760,941	-
		328,845,041	17,483
Total		1,499,670,831	21,432,227
II ASSETS			
Non-current assets			
(a) Non-current investments	9A	-	52,173
(b) Deferred tax assets (net)	10	941,288	13,512
(c) Long-term loans and advances	11A	1,392,655,254	19,527,876
		1,393,596,542	19,593,561
Current assets			
(a) Current investments	9B	70,500,000	-
(b) Trade receivables	12	-	141,300
(c) Cash and cash equivalents	13	13,222,115	171,917
(d) Short-term loans and advances	11B	22,152,174	1,525,449
(e) Other current assets	14	200,000	-
		106,074,289	1,838,666
Total		1,499,670,831	21,432,227
Summary of significant accounting policies	3		

The accompanying notes are an integral part of financial statements.

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

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number : 005975N

For and on behalf of the Board of Directors

Vikas Aggarwal

Partner

Mukesh Garg

Director

[DIN : 07078830]

Vijay Kumar Agrawal

Whole Time Director

[DIN : 08329352]

Place : Gurugram

Date : 23 April 2019

Manish Khandelwal

Chief Financial Officer

Chander Shekhar Joshi

Company Secretary

INDIABULLS RURAL FINANCE PRIVATE LIMITED

[formerly known as Littleman Fiscal Services Private Limited]

Statement of profit and loss for the year ended 31 March 2019

Particulars	Note No.	<i>All amount in ₹, unless otherwise stated</i>	
		Year ended 31 March 2019	Year ended 31 March 2018
I Revenue			
(a) Revenue from operations	15	12,989,914	1,647,509
(b) Other income	16	662,714	65,281
Total revenue		13,652,628	1,712,790
II Expenses			
(a) Employee benefits expense	17	5,162,417	1,467,758
(b) Finance costs	18	36,354	-
(c) Other expenses	19	8,710,371	195,082
Total of expenses		13,909,142	1,662,840
III (Loss)/profit before tax (I-II)		(256,514)	49,950
IV Tax expense:			
(a) Current tax (including previous periods)	20	719,894	12,927
(b) Deferred tax		(927,776)	2,172
		(207,882)	15,099
V (Loss)/profit for the year (III-IV)		(48,632)	34,851
Earnings per equity share:	21		
Face value per equity share (₹)		10.00	10.00
(a) Basic (₹)		(0.01)	1.94
(b) Diluted (₹)		(0.01)	1.94

Summary of significant accounting policies**The accompanying notes are an integral part of financial statements.**

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

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number : 005975N

For and on behalf of the Board of DirectorsVikas Aggarwal
PartnerMukesh Garg
Director
[DIN : 07078830]Vijay Kumar Agrawal
Whole Time Director
[DIN : 08329352]Place : Gurugram
Date : 23 April 2019Manish Khandelwal
Chief Financial OfficerChander Shekhar Joshi
Company Secretary

INDIABULLS RURAL FINANCE PRIVATE LIMITED
[formerly known as Littleman Fiscal Services Private Limited]
Cash flow statement for the year ended 31 March 2019

Particulars	All amount in ₹, unless otherwise stated	
	Year ended 31 March 2019	Year ended 31 March 2018
A. Cash flow from operating activities :		
(Loss)/profit before tax	(256,514)	49,950
Adjustments to reconcile (loss)/profit before tax to net cash flow		
Loss on sale of investment	17,080	-
Provisions against standard assets	3,479,773	(38)
Provision for gratuity and compensated absences	88,598	-
Interest on income tax	36,354	-
Interest income	(2,618,835)	(1,647,509)
Dividend income	(493,820)	(243)
Gain on sale of mutual fund	(165,750)	-
Interest on income tax refund	(3,144)	-
Operating profit/(loss) before working capital changes	83,742	(1,597,840)
Adjustments for working capital charges		
- Decrease/(increase) in trade receivables	141,300	(41,300)
- Increase in trade payable	742,262	-
- (Increase)/decrease in loans and advances	(1,392,368,893)	1,662,664
- Increase in other current assets	(284,117)	(2,340)
- Increase/(decrease) in other current liabilities	327,324,355	7,283
Cash (used in)/from operations	(1,064,361,351)	28,467
Interest received	1,316,954	-
Income tax paid (net of refund)	3,932	(77,380)
Net cash used in operating activities	(1,063,040,465)	(48,913)
B. Cash flow from investing activities :		
Investment in mutual funds	(1,580,500,000)	-
Procces from mutual funds	1,510,000,000	-
Sale of investment	35,093	-
Gain on sale of mutual fund	165,750	-
Dividend received on mutual fund	493,820	243
Net cash flow (used in)/from investing activities	(69,805,337)	243
C. Cash flow from financing activities :		
Proceed from issue of equity share	400,000,000	-
Proceed from premium on issue of equity share	750,000,000	-
Share issue expenses	(4,104,000)	(12,589)
Net cash flow from/(used in) financing activities	1,145,896,000	(12,589)
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	13,050,198	(61,259)
E. Cash and cash equivalents at the beginning of the year	171,917	233,176
F. Cash and cash equivalents at the end of the year (D+E)	13,222,115	171,917

Notes :

1. The above cash flow statement has been prepared under the "Indirect Method" as set out in 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).

2. Cash and cash equivalents includes : (refer note 15)

Cash on hand	2,935	118,508
Balance with banks	13,219,180	53,410
	13,222,115	171,917

3. Previous year figures have been regrouped and/or reclassified wherever necessary to conform to those of the current year grouping and/or classification.

The accompanying notes are an integral part of financial statements.

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

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number : 005975N

For and on behalf of the Board of Directors

Vikas Aggarwal
Partner

Mukesh Garg
Director
[DIN : 07078830]

Vijay Kumar Agrawal
Whole Time Director
[DIN : 08329352]

Place : Gurugram
Date : 23 April 2019

Manish Khandelwal
Chief Financial Officer

Chander Shekhar Joshi
Company Secretary

1. CORPORATE INFORMATION

Indiabulls Rural Finance Private Limited (formerly known as Littleman Fiscal Services Private Limited) is non-deposit taking, non-banking financial company ("NBFC") registered with Reserve Bank of India (RBI) with effect from 05 February 2004, with Registration No. B-13.01706. The Company is engaged in providing range of financial services including lending and access to credit to eclectic customers with a bias to operate in financial inclusion space.

The registered office of the company is IFC, Tower-1, 10th Floor, CS 612/613, S.B. Marg, Mumbai – 400013, India.

SORIL Infra Resources Limited (Holding Company) acquired 100% Shareholding on 25 January 2019 vide RBI approval DNBS.CMD.NO. 829/13.12.037/2018-19 dated 12 December 2018.

The financial statements for the year ended 31 March 2019 were authorized and approved for issue by the Board of Directors on 23 April 2019.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a) General information and statement of compliance

The financial statements have been prepared on going concern basis under the historical cost 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 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 normal operating cycle and other criteria set out in the Companies Act 2013. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

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 reported income and expenses during the year. 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.

c) Prudential Norms

The Company follows the Reserve Bank of India (RBI) Master Direction – Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended by Reserve Bank of India from time to time for the period (framework), (updated as on 22 February 2019), in respect of income recognition, income from investments, accounting of investments, asset classification, disclosures in the Balance Sheet and provisioning of loans and advances. Accounting Standards (AS) under Section 133 of the Companies Act, 2013 and Guidance notes issued by The Institute of Chartered Accountants of India ("ICAI") are followed in so far as they are not inconsistent with the RBI Directions.

These provisioning norms are considered the minimum and additional provision is made based on perceived credit risk where necessary. All contracts which as per the management are not likely to be recovered are considered as loss assets and written off as bad debts. Recoveries made from written off contracts are included in "other operating income".

Provisions for standard assets are made as per the prudential norms as applicable from time to time. Such provision is disclosed as under the financial statement caption 'provisions'.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements.

3.1 Current - non-current classification

All assets and liabilities are classified into current and non-current.

a) Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the normal operating cycle of the company;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting period; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

b) Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the normal operating cycle of the Company;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting period; or
- the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

c) Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve (12) months for the purpose of classification of assets and liabilities as current and non-current.

3.2 Functional and presentation currency

The management has determined the currency of the primary economic environment in which the Company operates i.e., functional currency, to be Indian Rupees (₹). The Financial Statements are presented in Indian Rupees, which is the Company's functional and presentation currency. All amounts have been rounded to nearest lakhs upto two decimal places, unless otherwise stated.

3.3 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized :

a) Interest income

Interest income from financing and other related activities is recognized on an accrual basis. In terms of the RBI Direction 2016, interest income on Non-performing assets ("NPA") is recognised only when it is actually recognised. Additional interest / overdue charges are recognised on realisation basis.

Repayment of loans is as stipulated in the respective loan agreements or by way of Equated Monthly Installments (EMIs) comprising principal and interest. EMIs commence generally once the entire loan is disbursed however on request of customer it commences even before the entire loan is disbursed. In case of pending commencement of EMIs, Pre-EMI interest is payable every month and accounted for on accrual basis.

b) Processing fee

Processing fee in respect of loans given is recognised on log in / disbursement as per the terms of the contract. Income from fee, Income form services is recognised on an accrual basis.

c) Dividend income

Dividend income on units mutual fund is recognized when the right to receive the dividend is unconditional as at the balance sheet date.

d) Gain/loss on sale of Investments

Any gains / losses on sale / redemption of units are recognised on the date of sale / redemption

3.4 Fixed Assets

a) Recognition and measurement

Tangible asstes

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

Intangible assets

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

Capital work in progress

Cost 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.

b) Depreciation and amortisation

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 : Estimated life
Computer software : 4 years

c) 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 is estimated. 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.

3.5 Income tax

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax act, 1961. Income computation and disclosure standards and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which during the specified period gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax

Deferred tax is recognised on all timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws substantively enacted as at the Balance Sheet date, to the extent that the timing differences are expected to crystallise / capable of reversal in one or more subsequent periods.

Deferred Tax Assets are recognised where realisation is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognised only if there is virtual certainty of realisation backed by convincing evidence that there will be sufficient future taxable income available to realise such assets. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the statement of profit and loss.

3.6 Share issue expenses

Share issue expenses, net of tax, are adjusted against the Securities Premium Account, as permissible under Section 52(2) of the Companies Act, 2013, to the extent of balance available and thereafter, the balance portion is charged to the Statement of Profit and Loss, as incurred.

3.7 Investments

Investments are classified as long term and current investments. Long term investments are carried individually at cost less provision, if any, for diminution other than temporary in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Unquoted current investments in units of Mutual Funds in the nature of current investments shall be valued at the net asset value declared by the mutual fund in respect of each particular scheme.

3.8 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 (ICAI), 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.

3.9 Employee benefits

The Company's contribution to Statutory fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The Company has unfunded defined benefit plans as compensated absences and gratuity for all eligible employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using the 'Projected Unit Credit Method'. Actuarial gains and losses comprise experience adjustments and

the effects of changes in actuarial assumptions and are recognised in the Statement of Profit and Loss as income or expenses, as applicable. Actuarial gains and losses comprise experience adjustments and the effects of change in actuarial assumptions and are recognised in the statement of profit and loss as income or expenses as applicable.

3.10 Borrowing costs

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of the asset 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 intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing cost includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.11 Leases

In case of assets taken on operating lease, the lease rentals are charged to the Statement of Profit and Loss on a straight line basis in accordance with Accounting Standard (AS) 19 – Leases.

3.12 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management. The Management of the Company who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

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

Contingent liability is disclosed for :

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

Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

3.14 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.

INDIABULLS RURAL FINANCE PRIVATE LIMITED

[formerly known as Littleman Fiscal Services Private Limited]

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019*All amount in ₹, unless otherwise stated***Note - 4**

Equity Share capital	As at 31 March 2019		As at 31 March 2018	
	Numbers	Amount	Numbers	Amount
(a) Authorized share capital				
Equity shares of face value ₹ 10 each	45000000	450,000,000	1800000	18,000,000
	45,000,000	450,000,000	1,800,000	18,000,000
(b) Issued, subscribed and fully paid up shares				
Equity shares of face value ₹ 10 each fully paid up	41797400	417,974,000	1797400	17,974,000
	41797400	417,974,000	1797400	17,974,000

(c) Rights, preferences and restrictions attached to equity shares

The holders of equity shares shall be entitled to receive dividends on declaration, and are entitled to one vote per share at meetings of the Company. In the event of liquidation of 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. All shares rank equally with regard to the Company's residual assets.

(d) The reconciliation of equity shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at 31 March 2019		As at 31 March 2018	
	Numbers	Amount	Numbers	Amount
Equity Share at the beginning of year	1797400	17,974,000	1797400	17,974,000
Add : Equity shares of ₹ 10 each Issued during the period	40000000	400,000,000	-	-
Equity share at the end of year	41797400	417,974,000	1797400	17,974,000

(e) Details of shareholders holding more than 5% shares in the Company

Particulars	Numbers	%age	Numbers	%age
SORIL Infra Resources Limited	41797400	100.00%	-	-
Rakesh Agrawal	-	-	190800	10.62%
Purushottam Agrawal	-	-	188000	10.46%
Bimla D. Agrawal	-	-	159000	8.85%
Abhishek Agrawal	-	-	135980	7.57%
Vivek Agrawal	-	-	130120	7.24%
Raj Kumar Agrawal	-	-	123800	6.89%
Varsha Agrawal	-	-	111000	6.18%
Saket Omprakash Agrawal	-	-	108520	6.04%
Sulochana Agrawal	-	-	100100	5.57%
Narottam Lal Saini	-	-	94800	5.27%
Madhu Agrawal	-	-	96400	5.36%

(f) Company does not have any shares issued for consideration other than cash during the immediately preceding five years. Company did not buy back any shares during immediately preceding five years.

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INDIABULLS RURAL FINANCE PRIVATE LIMITED

[formerly known as Littleman Fiscal Services Private Limited]

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019*All amount in ₹, unless otherwise stated***Note - 5****Reserves and surplus****(a) Special Reserve Fund u/s. 45IC of RBI Act, 1934**

	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	196,172	189,202
Add: transferred from surplus in Statement of profit and loss	-	6,970
	196,172	196,172

(b) Securities Premium

Balance at the beginning of the year	2,419,494	2,432,083
Add : Premium on issue of equity shares of value ₹ 30 each	750,000,000	-
Less: Expenses on issue of equity shares	(4,104,000)	(12,589)
	748,315,494	2,419,494

(c) Surplus in statement of profit and loss :

Balance at the beginning of the year	772,608	744,726
Add: (loss) / Profit after tax for the year	(48,632)	34,851
	723,976	779,578

Less: Appropriations :

Add : Special Reserve Fund u/s. 45IC of RBI Act, 1934	-	6,970
	723,976	772,608

749,235,642	3,388,274
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Nature and purpose of other reserves**Special Reserve u/s 45IC**

Special reserve as per section 45IC of Reserve Bank of India Act, 1934, every non-banking financial company shall create a reserve fund, the transfer therein a sum not less than 20% of its net profit every year as disclosed in the profit & loss account before any dividend is declared, as the company during the Financial year 2018-19 has loss, so there is no transfer during the year.

Security Premium

- i) During the year the Company have issued 25,000,000 equity share at premium of ₹ 30 each.
- ii) Share issue expenses has been adjusted with securities premium in accordance with the provisions of section 52 of the Companies Act, 2013.

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INDIABULLS RURAL FINANCE PRIVATE LIMITED

[formerly known as Littleman Fiscal Services Private Limited]

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

All amount in ₹, unless otherwise stated

	As at 31 March 2019	As at 31 March 2018
Note - 6		
A. Long-term provisions		
Provision for compensated absences (<i>refer note-24</i>)	72,844	-
Provision for gratuity (<i>refer note-24</i>)	11,061	-
Contingent provision against standard assets	3,532,243	52,470
	3,616,148	52,470
B. Short-term provisions		
Provision for compensated absences (<i>refer note-24</i>)	4,676	-
Provision for gratuity (<i>refer note-24</i>)	17	-
Provision for income tax, (net of tax deducted at sources)	756,248	-
	760,941	-
Note - 7		
Trade payable		
(i) total outstanding dues of micro enterprises and small enterprises, and	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	742,262	-
	742,262	-

* Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at :-

Particulars	As at 31 March 2019	As at 31 March 2018
(i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil	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	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	Nil
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	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	Nil

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

Note - 8

Other current liabilities

Statutory dues payable		
Good and service tax payable	1,825,188	-
Professional tax payable	-	400
Tax deducted at sources	276,499	-
Other receipts	97,874	-
Temporary overdrawn balance as per books	317,264,720	-
Other payable	7,271,989	17,083
Salary payable	577,049	-
Other payable to related party	28,520	-
	327,341,838	17,483

INDIABULLS RURAL FINANCE PRIVATE LIMITED

[formerly known as Littleman Fiscal Services Private Limited]

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

*All amount in ₹, unless otherwise stated***Note - 9****A. Non-current investments**

Particulars	As at 31 March 2019		As at 31 March 2018	
	Numbers	Amount	Numbers	Amount
Investments in equity instruments				
Quoted				
Amit International Limited	-	-	800	10,159
Balaji Telefilms Limited	-	-	1	45
BPL Limited	-	-	1	52
DLF Limited	-	-	50	25,918
Hindalco Industries Limited	-	-	1	214
Khyati Multimedia Limited	-	-	10	79
Landmarc Leisure Corporation Limited	-	-	500	1,310
Mahanagar Telephone Nigam Limited	-	-	1	133
Merck Limited	-	-	5	1,472
Mukta Arts Limited	-	-	5	827
Padmini Technologies Limited	-	-	1	25
Pentamedia Graphics Limited	-	-	1	74
Reliance Communications Limited	-	-	1	197
Reliance Industries Limited	-	-	2	265
Sandu Pharmaceuticals Limited	-	-	1	10
Sri Adhikari Brothers Television Network Ltd	-	-	5	368
Tata Teleservices (Mah.) Limited	-	-	1	9
Tips Industries Limited	-	-	5	401
Top Telemedia Limited	-	-	20	246
OPTO Circuits (INDIA) Limited	-	-	400	10,371
		-		52,173
Aggregate amount of quoted investment and market value		-		25,988

B. Current investments

Particulars	As at 31 March 2019		As at 31 March 2018	
	Numbers	Amount	Numbers	Amount
Investments in Mutual funds				
Quoted				
Indiabulls liquid fund - direct plan - growth	12885.81	23,500,000	-	-
Reliance liquid fund - direct plan - growth	5156.75	23,500,000	-	-
SBI liquid fund - direct plan - growth	8034.48	23,500,000	-	-
		70,500,000		-
Aggregate amount of quoted investment and market value		70,575,502		-
Aggregate provision for diminution in value of investment		-		-

*All Investment made in India and unquoted current investments in units of Mutual Funds in the nature of current investments shall be valued at the net asset value declared by the mutual fund in respect of each particular scheme as per master direction of RBI.

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INDIABULLS RURAL FINANCE PRIVATE LIMITED

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019*All amount in ₹, unless otherwise stated*

	As at 31 March 2019	As at 31 March 2018
Note - 10		
Deferred tax assets (net)		
Deferred tax Assets (net)	941,288	13,512
	941,288	13,512
Note - 11		
A. Long-term loans and advances		
<i>(Secured, considered good)</i>		
Loans and advances#	1,392,133,166	-
<i>(Unsecured, considered good)</i>		
Security deposits on rent	460,000	-
Loans and advances#	-	19,465,000
TDS deducted at source	62,088	62,876
	1,392,655,254	19,527,876
B. Short-term loans & advances		
<i>(Secured, considered good)</i>		
Loans and advances#	20,763,836	-
<i>(Unsecured, considered good)</i>		
Interest accrued on loan	1,301,881	1,523,109
Good and service tax receivable	86,457	2,340
	22,152,174	1,525,449
# Secured loans and other credit facilities given to customers amounting to ₹1,41,28,97,002 are secured/partly secured by :		
(i) Equitable mortgage of property and / or		
(ii) Pledge of shares / debentures, units, other securities, assignment of life insurance policies and / or		
(iii) Hypothecation of assets and /or		
(iv) Company guarantees and / or		
(v) Personal guarantee and /or		
(vi) Negative lien and / or undertaking to create a security.		
Note - 12		
Trade receivables		
Outstanding for a period exceeding six months from its due date		
Unsecured, considered good	-	141,300
	-	141,300
Note - 13		
Cash and cash equivalents		
Cash on hand	2,935	118,508
Balances with banks (in current accounts)	13,219,180	53,410
	13,222,115	171,917
Note - 14		
Other current assets		
Advance to vendor	200,000	-
	200,000	-

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

All amount in ₹, unless otherwise stated

Note - 15

Revenue from operations

	Year ended 31 March 2019	Year ended 31 March 2018
Interest on loan	2,618,835	1,647,509
Other financial services		
Loan processing fee	10,371,079	-
	12,989,914	1,647,509

Note - 16

Other Income

Dividend income on mutual fund	493,820	243
Gain on sale of units of mutual fund	165,750	-
Financial and management consultancy fee	-	65,000
Interest on income tax refund	3,144	-
Contingent provisions against standard assets written back	-	38
	662,714	65,281

Note - 17

Employee benefits expense

Salaries and wages	1,616,829	1,405,000
Employee incentives	3,351,820	-
Staff welfare expenses	105,170	62,758
Gratuity and compensated absences	88,598	-
	5,162,417	1,467,758

Note - 18

Finance cost

Other interest expenses	36,354	-
	36,354	-

Note - 19

Other expenses

Legal and professional charges	3,376,702	-
Contingent provisions against standard assets	3,479,773	-
Incentives	1,396,254	-
Office expenses	52,355	48,000
Rates and taxes	176,696	2,500
Loss on sale of investment	17,080	-
Travelling and conveyance expenses	39,955	64,916
Auditor's remuneration (refer note (i) below)	100,000	10,000
Communication expenses	5,070	13,080
Electricity expenses	610	550
Miscellaneous expenses	65,877	56,036
	8,710,371	195,082

(i) Detail of Auditor's remuneration

Auditor's remuneration

Audit fee	100,000	8,000
Other services	-	2,000
Reimbursement of expenses	-	-
	100,000	10,000

INDIABULLS RURAL FINANCE PRIVATE LIMITED

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019*All amount in ₹, unless otherwise stated***Note - 20****Income tax****Current tax**

The current tax for the year ended 31 March 2019 includes current year tax charge of ₹ 719,894 (Previous year : charge of ₹ 12,927).

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 ₹ 927,776 (previous year : deferred tax debit of ₹ 2,172) in the statement of profit & loss during the year ended 31 March 2019.

Particulars	As at	As at
	31 March 2019	31 March 2018
Deferred tax asset arising on account of :		
Provision for employee benefits	23,035	-
Provisions against standard assets	918,253	13,512
Deferred tax assets (net)	941,288	13,512

Note - 21**Earnings per equity share (EPS) as per Accounting Standard - 20 "Earnings per share".**

The basic earnings per equity share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. 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. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Particulars	Year ended	Year ended
	31 March 2019	31 March 2018
(Loss)/profit after tax	(48,632)	34,851
Weighted average number of shares used in computing basic earnings per equity share	3605619	1797400
Face value per equity share (₹)	10.00	10.00
Basic earnings per equity share (₹)	(0.01)	1.94
Diluted earnings per equity share (₹)	(0.01)	1.94

Note - 22**Disclosures in respect of Related Parties as per Indian Accounting Standard (AS) – 18 "Related Party Disclosures".****Name and Nature of Relationship with related parties****Relationship****Name of related parties**

(i) Related party exercising control :

Holding Company

SORIL Infra Resources Limited (From 25 January 2019)
(formerly known as Store One Infra Resources Limited)

(ii) Key Management Personnel

Mr.Vijay Kumar Agrawal, Whole Time Director (from 01 February 2019)

* With whom transactions entered during the year (significant transaction)

Summary of significant transactions with related parties:

Particulars	Year ended	Year ended
	31 March 2019	31 March 2018
Transaction with related parties:		
Holding company		
Reimbursement of expenses, net	28,520	-
Issue of equity share capital (including premium)	1,167,974,000	-

Outstanding balances :

Particulars	Year ended	Year ended
	31 March 2019	31 March 2018
Holding Company		
Other financials liabilities	28,520	-

Note - 23**Segment Reporting**

The Company's primary business segment is reflected based on principal business activities carried on by the Company i.e. loan against property in India which as per "Accounting Standard 17 on 'Segment Reporting' is considered to be the only reportable business segment. The Company is operating in India which is considered as a single geographical segment.

INDIABULLS RURAL FINANCE PRIVATE LIMITED

[formerly known as Littleman Fiscal Services Private Limited]

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

*All amount in ₹, unless otherwise stated***Note - 24****Employee benefits****Gratuity**

In accordance with “The Payment of Gratuity Act, 1972”, the Company provides for gratuity a defined benefit retirement plan (the “Gratuity Plan”) covering certain categories of employees. The Gratuity plan provides a lump sum payment to vested employees at retirement or termination of employment. The amount of payment is based on the respective employee’s last drawn salary and the years of employment with the Company. Liabilities in respect of the Gratuity Plan are determined by an actuarial valuation and this plan is unfunded.

Compensated Absences

Eligible employees are entitled to accumulate compensated absences up to prescribed limits in accordance with the Company’s policy and receive cash in lieu thereof.

The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date. Such measurement is based on actuarial valuation as at balance sheet date carried out by a qualified actuary.

Disclosure in respect of gratuity and compensated absences**A. Reconciliation of liability recognized in the Balance sheet as per actuarial valuation**

Particulars	Gratuity		Compensated absences	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Present value of commitments	11,078	-	77,520	-
Fair value of plan assets	-	-	-	-
Net liability in the Balance sheet	11,078	-	77,520	-

B. Expenses recognized in the statement of profit and loss

Particulars	Gratuity		Compensated absences	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Current service cost	11,078	-	77,520	-
Interest cost	-	-	-	-
Expected return on plan assets	-	-	-	-
Actuarial (gain) / losses	-	-	-	-
Cost recognized during the year	11,078	-	77,520	-

C. Reconciliation of present value of defined benefit obligation

Particulars	Gratuity		Compensated absences	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Present value of Obligation at the beginning of the year	11,078	-	77,520	-
Cost recognized during the year	-	-	-	-
Benefits paid during the year	-	-	-	-
Present value of Obligation at the end of the year	11,078	-	77,520	-

D. The assumption used to determine cost

Particulars	Gratuity		Compensated absences	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Discount rate	7.71%	-	7.71%	-
Salary escalation rate	5.50%	-	5.50%	-
Mortality table	100 % of IALM (2006 - 08)	-	100 % of IALM (2006 - 08)	-

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INDIABULLS RURAL FINANCE PRIVATE LIMITED

[formerly known as Littleman Fiscal Services Private Limited]

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019*All amount in ₹, unless otherwise stated***Note - 25****Regulatory Capital**

Particulars	31 March 2019	31 March 2018
Tier 1 - Capital	1,167,013,470	21,166,102
Tier 2 - Capital	196,172	196,172
	1,167,209,642	21,362,274
Risk weightage assets	1,485,640,171	21,195,094
Tier 1 capital adequacy ratio (%)	78.55%	99.86%
Tier 2 capital adequacy ratio (%)	0.01%	0.93%

Regulatory capital consists of Tier 1 capital, which comprises share capital, share premium, retained earnings, including current year Loss. Certain adjustments are made to Ind AS-based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is other Tier 2 Capital Instruments, which includes reserve fund u/s 45 IC of RBI Act.

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INDIABULLS RURAL FINANCE PRIVATE LIMITED

[formerly known as Littleman Fiscal Services Private Limited]

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019
All amount in ₹, unless otherwise stated
Note - 26

Information as required in terms of Paragraph 13 of the RBI Master Direction - Non-Banking financial company - Non-systemically Important Non - deposit taking company and Deposit taking company (Reserve Bank) Directions, 2016.

Particulars	As at 31 March 2019		As at 31 March 2018	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
Liabilities side :				
1. Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid:				
(a) Debentures :				
Secured	NIL	NIL	NIL	NIL
Unsecured (other than falling within the meaning of public deposits)	NIL	NIL	NIL	NIL
(b) Deferred credits	NIL	NIL	NIL	NIL
(c) Term loans	NIL	NIL	NIL	NIL
(d) Inter-corporate loans and borrowing	NIL	NIL	NIL	NIL
(e) Commercial paper	NIL	NIL	NIL	NIL
(f) Public deposits	NIL	NIL	NIL	NIL
(f) Other loans	NIL	NIL	NIL	NIL

Particulars	As at 31 March 2019	As at 31 March 2018
	Amount outstanding	Amount outstanding
Assets side :		
2. Break-up of loans and advances including bills receivables [other than those included in (3) below] :		
(a) Secured	1,414,198,883	NIL
(b) Unsecured	NIL	20,988,109

3. Break up of leased assets and stock on hire and other assets counting towards AFC activities :		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease	NIL	NIL
(b) Operating lease	NIL	NIL
(ii) Stock on hire including hire charges under sundry debtors :		
(a) Assets on hire	NIL	NIL
(b) Repossessed assets	NIL	NIL
(iii) Other loans counting towards AFC activities:		
(a) Loans where assets have been repossessed	NIL	NIL
(b) Loans other than (a) above	NIL	NIL

4. Break -up of Investments :		
Current Investments :		
1. Quoted :		
(i) Shares :		
(a) Equity	NIL	NIL
(b) Preference	NIL	NIL
(ii) Debentures and Bonds	NIL	NIL
(iii) Units of Mutual Funds	NIL	NIL
(iv) Government Securities	NIL	NIL
(v) Others	NIL	NIL
2. Unquoted :		
(i) Shares :		
(a) Equity	NIL	NIL
(b) Preference	NIL	NIL
(ii) Debentures and Bonds	NIL	NIL
(iii) Units of Mutual Funds	70,500,000	NIL
(iv) Government Securities	NIL	NIL
(v) Others	NIL	NIL

INDIABULLS RURAL FINANCE PRIVATE LIMITED

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

All amount in ₹, unless otherwise stated

Non current Investment :		
1. Quoted :		
(i) Shares :		
(a) Equity	NIL	52,173
(b) Preference	NIL	NIL
(ii) Debentures and Bonds	NIL	NIL
(iii) Units of Mutual Funds	NIL	NIL
(iv) Government Securities	NIL	NIL
(v) Others	NIL	NIL
2. Unquoted :		
(i) Shares :		
(a) Equity		
(b) Preference	NIL	NIL
(ii) Debentures and Bonds	NIL	NIL
(iii) Units of Mutual Funds	NIL	NIL
(iv) Government Securities	NIL	NIL
(v) Others	NIL	NIL

5. Borrower group-wise classification of assets financed as in (2) and (3) above :						
Category	As at 31 March 2019			As at 31 March 2018		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties:						
(a) Subsidiaries	NIL	NIL	NIL	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL	NIL	NIL	NIL
(c) Other related parties	NIL	NIL	NIL	NIL	NIL	NIL
2. Other than related parties	1,414,198,883	NIL	1,414,198,883	NIL	20,988,109	20,988,109
Total	1,414,198,883	NIL	1,414,198,883	NIL	20,988,109	20,988,109

6. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):				
Category	As at 31 March 2019		As at 31 March 2018	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties:				
(a) Subsidiaries	NIL	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL	NIL
(c) Other related parties	NIL	NIL	NIL	NIL
2. Other than related parties	70,575,502	70,500,000	25,988	52,173
Total	70,575,502	70,500,000	25,988	52,173

7. Other Information		
Particulars	As at 31 March 2019 Amount outstanding	As at 31 March 2018 Amount outstanding
(i) Gross Non-performing assets		
(a) Related parties	NIL	NIL
(b) Other than related parties	NIL	NIL
(ii) Net Non-performing Assets		
(a) Related parties	NIL	NIL
(b) Other than related parties	NIL	NIL
(iii) Assets acquired in satisfaction of debts	NIL	NIL

INDIABULLS RURAL FINANCE PRIVATE LIMITED

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

All amount in ₹, unless otherwise stated

Note - 27

Other Information

- a) There are no dues payable under section 125 of Companies Act, 2013, as at 31 March 2019 and 31 March 2018.
- b) There is no contingent liabilities and capital commitments as at 31 March 2019 and 31 March 2018.
- c) The Company have not entered into any derivative instruments during the year. There are no outstanding derivatives contracts as at 31 March 2019 and 31 March 2018.
- d) In the opinion of the Board of Directors, all current assets and long term loans and advances, appearing in the balance sheet as at 31 March 2019, 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. In the opinion of the board of directors, no provision is required to be made against the recoverability of these balances.
- e) The Company has regrouped / reclassified the previous year's figures wherever necessary to correspond with the current year's classification/disclosure.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number : 005975N

For and on behalf of the Board of Directors

Vikas Aggarwal
Partner

Mukesh Garg
Director
[DIN : 07078830]

Vijay Kumar Agrawal
Whole Time Director
[DIN : 08329352]

Place : Gurugram
Date : 23 April 2019

Manish Khandelwal
Chief Financial Officer

Chander Shekhar Joshi
Company Secretary