

INDIABULLS INFRASTRUCTURE CREDIT LIMITED
(CIN: U65923DL2006PLC150632)
Regd. Off: M 62 & 63, First Floor, Connaught Place, New Delhi-110001

DIRECTORS' REPORT

Dear Shareholders,

Your Directors present to you, the 8th Annual Report together with the Audited Accounts for the year ended March 31, 2014.

FINANCIAL RESULTS

Summary of the Financial Results for the period are as under:

Particulars	For the year ended	
	(Amount Rs.)	
	31st March, 2014	31st March, 2013
Profit before Tax	342,984,547	93,298,551
Less: Provision for Current Tax	116,000,000	22,726,286
ADD: Provision for Deferred Tax Credit	17,727,264	4,165,289
Profit After Tax	244,711,811	74,737,554
Balance of Profit brought forward	492,013,069	440,033,889
Amount available for appropriation	736,724,880	514,771,443
Less: Appropriations:		
Transfer to Reserve Fund (u/s 45 IC of the RBI Act 1934)	48,942,362	14,947,511
Transfer to Special reserve fund u/s 36(1)(viii) of the Income Tax Act,1961	30,000,000	7,441,000
Provision for dividend on Preference shares	22,500,000	369,863
Balance of Profit carried forward	635,282,518	492,013,069

REVIEW OF OPERATIONS

The revenue from the operations of the Company for the financial year 2013-14 stood at Rs.169.57 Crores and post tax profit of the Company was Rs.24.47 Crores. The profitability of the Company is expected to grow in the coming years.

DIVIDEND

Keeping in view of the future expansion plans of the Company, the Directors do not recommend any dividend on the equity shares.

FIXED DEPOSITS

The Company has not accepted any deposit from the public, during the year under review.

DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Anil Malhan (DIN: 01542646), Director, retires by rotation and, being eligible, offers himself for reappointment at the ensuing Annual General Meeting.

Mr Ajit Kumar Mittal (DIN: 02698115) who was appointed as Additional Director w.e.f. 30th September, 2013 holds office as such, upto the date of this Annual General Meeting. The Company has received a notice along with a deposit in terms of Section 160 of the Companies Act, 2013, from a member, proposing the candidature of Mr.Mittal for the office of Director of the Company, liable to retire by rotation.

AUDITORS & AUDITORS' REPORT

M/s A Sardana & Co., Chartered Accountants (Regn. No. 021890N), Auditors of the Company will retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for reappointment. The Company has received a certificate from the Auditors to the effect that their reappointment, if made would be in accordance with Section 141(3)(g) of the Companies Act, 2013. The Board recommends their re-appointment.

There is no reservation, qualification or adverse remark in the Auditors' Report.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 (3)(c) of the Companies Act, 2013, your Directors confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures from the same;
2. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and the profit of the Company for the year ended on that date;
3. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. the Directors have prepared the Annual Accounts of the Company on a 'going concern' basis.
5. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDIT COMMITTEE

The Audit Committee of the Company comprises of Mr. Anil Malhan, Mr. Ashok Sharma and Mr. Ajit Kumar Mittal, Directors of the Company. Mr. Ashok Sharma is the Chairman of the Committee.

INFORMATION PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013

The information required to be disclosed under Section 134(3)(m) of the Companies Act, 2013, with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo, is given in the **Annexure 'A'** and forms a part of this Report.

There were no employees of the Company, employed by the Company through the year or part thereof, information in respect whereof is required to be made in terms of erstwhile Section 217(2AA) of the Companies Act 1956 or in terms of applicable provisions of the Companies Act, 2013 or related rules thereto.

ACKNOWLEDGEMENT

The Directors take the opportunity to thank all those who were connected with the Company, for their support during the year.

For and on behalf of the Board of Directors

Place: New Delhi
Date: July 16, 2014

Sd/-
Ajit Kumar Mittal
Whole time Director
DIN : 02698115

Sd/-
Ashok Sharma
Director
DIN : 00010912

ANNEXURE FORMING PART OF DIRECTORS' REPORT

Information pursuant to section 134(3)(m) of the Companies Act, 2013 with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo:

A. CONSERVATION OF ENERGY

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

- a) Implementation of viable energy saving proposals.
- b) Awareness and training sessions for maintenance personnel conducted by experts.

The Company's business does not figure in the list of industries specified in schedule to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, hence information, as specified in Form A & B, is not being furnished.

B. TECHNOLOGY ABSORPTION

The Company believes that technological obsolescence is a practical reality. Our research activities will help us to prepare for future growth & opportunities.

Our objective is to carry out applied research in the years that are closely related to realization of the business objectives of the Company and seek to en-cash available business opportunities.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

There were no foreign exchange earnings and outgo during the year under review.

For and on behalf of the Board of Directors

Place: New Delhi
Date: July 16, 2014

Sd/-
Ajit Kumar Mittal
Whole time Director
DIN : 02698115

Sd/-
Ashok Sharma
Director
DIN : 00010912



**Independent Auditor's Report
To the Members
Indiabulls Infrastructure Credit Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of Indiabulls Infrastructure Credit Limited ('the Company') which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the 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, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, 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 Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 ; and

e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For A Sardana & Co.
Chartered Accountants
Firm Registration number: 021890N


Ajay Sardana
Ajay Sardana
Partner
Membership number: 089011
New Delhi, April 22, 2014

Annexure referred to in the Auditor's Report of even date to the Members of Indiabulls Infrastructure Credit Limited on the financial statements for the year ended March 31, 2014

- (i) (a) The Company has maintained proper records, showing full particulars, including quantitative details and situation of fixed assets.
- (b) 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. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company has not disposed off any fixed assets during the year.
- (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) (a) 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 301 of the Companies Act, 1956. Therefore, the provisions of clause 4 (iii) (b), (c) and (d) of the Order are not applicable to the Company.
- (e) As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4 (iii) (f) and (g) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and the sale of services. There were no transactions in respect of purchase of inventory and sale of goods during the year. During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) According to the information and explanations given to us, the Company has not entered into any contracts or arrangements, the particulars of which need to be entered into the register required to be maintained under section 301 of the Act.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 58A and section 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. 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.



- (vii) In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub section (1) of section 209 of the Companies Act, 1956 for the products of the Company.
- (ix) (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 Investor Education and Protection Fund, Sales-tax, Wealth tax, Customs duty and Excise duty. There were no dues on account of cess under Section 441A of the Companies Act, 1956 since the aforesaid section has not yet been made effective by the Central Government. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues were in arrears, as at March 31, 2014 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, 2014, there are no dues of income-tax, sales tax, service tax, wealth tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) The Company does not have any accumulated losses at the end of the financial year. The Company has not incurred cash losses in the financial year covered by our audit and the immediately preceding financial year.
- (xi) As per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks. The Company has no dues to a financial institution or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has maintained adequate records where the Company has granted loans and advances on the basis of security by way of pledge of shares and debentures. The Company has not granted loans and advances on the basis of security by way of pledge of other securities.
- (xiii) The Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.
- (xiv) In respect of dealing/trading in debentures, units of mutual funds and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. Such investments have been held by the Company, in its own name.



- (xv) 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.
- (xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained, other than temporary deployment pending application.
- (xvii) According to the information and explanations give to us and on the basis of the maturity profile of assets and liabilities with a maturity profile of one year, as given in the Asset Liability Management Report, liabilities maturing in the next one year are not in excess of the assets of similar maturity.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, the Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money through public issue during the year.
- (xxi) 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 22, 2014

Indiabulls Infrastructure Credit Limited

Balance Sheet as at March 31, 2014

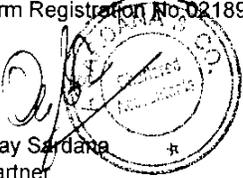
Particulars	Note No.	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 Amount (Rs.)
I. Equity and liabilities			
Shareholders funds			
(a) Share capital	3	325,000,000	325,000,000
(b) Reserves and surplus	4	2,844,344,408	2,622,132,597
		<u>3,169,344,408</u>	<u>2,947,132,597</u>
Non - current liabilities			
(a) Long-term borrowings	5	2,724,611,111	-
(b) Long term provisions	6	39,654,076	13,033,525
		<u>2,764,265,187</u>	<u>13,033,525</u>
Current liabilities			
(a) Short-term borrowings	7	7,000,000,000	2,000,000,000
(b) Other current liabilities	8	984,617,339	6,146,632
(c) Short-term provisions	9	123,455,756	9,190,890
		<u>8,108,073,095</u>	<u>2,015,337,522</u>
	Total	<u><u>14,041,682,690</u></u>	<u><u>4,975,503,644</u></u>
II.Assets			
Non - current assets			
(a) Fixed assets			
Tangible assets	10	3,504,478	54,595
(b) Deferred tax assets (net)	11	22,171,403	4,444,139
(c) Long term loans and advances	12	9,417,394,424	4,390,446,141
(d) Other non-current assets	13	409,455,350	-
		<u>9,852,525,655</u>	<u>4,394,944,875</u>
Current assets			
(a) Current investments	14	-	160,000,000
(b) Cash and bank balances	15	344,845,705	251,713,142
(c) Short-term loans and advances	16	3,715,072,407	152,027,060
(d) Other current assets	17	129,238,923	16,818,567
		<u>4,189,157,035</u>	<u>580,558,769</u>
	Total	<u><u>14,041,682,690</u></u>	<u><u>4,975,503,644</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. 089011
New Delhi, April 22, 2014

For and on behalf of the Board of Directors of
Indiabulls Infrastructure Credit Limited


Ajit Kumar Mittal
Whole-time Director
DIN : 02698115
New Delhi, April 22, 2014


Ashok Sharma
Director
DIN : 00010912


Lalit Narayan Mathpati
Company Secretary

Indiabulls Infrastructure Credit Limited

Statement of Profit and Loss for the year ended March 31, 2014

Particulars	Note No	For the year ended March 31, 2014 Amount (Rs.)	For the year ended March 31, 2013 Amount (Rs.)
I. Revenue from operations	18	1,695,712,455	87,662,092
II. Other Income	19	44,841,601	29,251,276
		III. Total revenue	116,913,368
IV. Expenses:			
Employee benefits expense	20	186,403,263	7,400,303
Financial costs	21	966,055,492	2,316,555
Depreciation		325,171	26,124
Other expenses	22	244,785,583	13,871,835
		V. Total expenses	23,614,817
VI. Profit before exceptional and extraordinary items and tax (III-V)		342,984,547	93,298,551
VII. Exceptional items		-	-
VIII. Profit before extraordinary items and tax (VI- VII)		342,984,547	93,298,551
IX. Extraordinary items		-	-
X. Profit before tax (VIII-IX)		342,984,547	93,298,551
XI. Tax expense:			
(1) Current tax		116,000,000	22,726,286
(2) Deferred tax credit		(17,727,264)	(4,165,289)
		98,272,736	18,560,997
XII. Profit from the year from continuing operations (X-XI)		244,711,811	74,737,554
XIII. Profit/(Loss) from discontinuing operations		-	-
XIV. Tax expense of discontinuing operations		-	-
XV. Profit/(Loss) from discontinuing operations after tax (XIII - XIV)		-	-
XVI. Profit for the year (XII + XV)		244,711,811	74,737,554
XVII. Earning per equity share:	30		
(1) Basic		22.22	7.44
(2) Diluted		7.53	7.21
Nominal value per Equity Share		10.00	10.00
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. 081490M

Ajay Sardana
Partner
Membership No. 089811
New Delhi, April 22, 2014

For and on behalf of the Board of Directors of
Indiabulls Infrastructure Credit Limited

Ajit Kumar Mittal
Whole-time Director
DIN : 02698115
New Delhi, April 22, 2014

Ashok Sharma
Director
DIN : 00010912

Lalit Narayan Mathpati
Company Secretary

Indiabulls Infrastructure Credit Limited
Cash Flow Statement for the year ended March 31, 2014

	For the year ended March 31, 2014 Amount (Rs.)	For the year ended March 31, 2013 Amount (Rs.)
A Cash flow from operating activities :		
Net Profit before tax	342,984,547	93,298,551
Adjustment for:		
Provision for gratuity	4,982,853	1,036,667
Provision for compensated absences	457,886	756,026
Contingent provisions against Standard Assets	20,847,842	10,429,046
Provision for Loan assets	27,750,000	-
Balances written back	20,824	-
Bad debts written off	96,838,623	-
Profit on sale of Current investments	(31,617,438)	(296,238)
Depreciation	325,171	26,124
Operating Profit/(Loss) before working capital changes	462,590,308	105,250,176
Changes in working capital:		
Other current liabilities	89,560,994	(7,625,634)
Long-term and short-term provisions	9,663,573	(26,135)
Long-term loans and advances	(4,707,648,194)	(4,221,000,313)
Short-term loans and advances	(3,608,745,347)	(50,269,584)
Other non-current assets	(102,555,350)	-
Other current assets	(112,420,356)	(23,464,949)
Cash generated from / (used) in operations	(7,969,654,372)	(4,197,136,439)
Direct taxes paid	(47,129,585)	(48,691,418)
Net cash generated from/(used in) operating activities	(8,016,683,957)	(4,245,827,857)
B Cash flow from investing activities		
Purchase of fixed assets	(3,775,054)	-
Capital advances	(325,864)	-
Investment in deposit accounts	(306,900,000)	(10,000,000)
Proceeds from sale of/(investment in) current investments (net)	191,617,438	472,485,832
Net cash generated from/(used in) investing activities	(119,383,480)	462,485,832
C Cash flow from financing activities		
Proceeds from issue of preference shares (including securities premium)	-	2,025,000,000
Loan given to fellow subsidiary company	(430,000,000)	-
Proceeds from Loan taken from Holding Company	113,500,000	-
Repayment received - loan given to fellow subsidiary company	45,700,000	-
Proceeds from issue of commercial papers	3,500,000,000	2,000,000,000
Proceeds from Working capital loan	1,500,000,000	-
Proceeds from Term loans	3,500,000,000	-
Net cash generated from/(used in) investing activities	8,229,200,000	4,025,000,000
D Net increase / (decrease) in cash and cash equivalents (A+B+C)	93,132,563	241,657,975
E Cash and cash equivalents at the beginning of the year	241,713,142	55,167
F Cash and cash equivalents at the close of the year (D + E)	334,845,705	241,713,142

Note :

- 1 Figures for the previous year have been regrouped wherever considered necessary.
- 2 The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in Accounting Standard (AS) - 3 'Cash Flow Statements' as notified under the Companies (Accounting Standards) Rules, 2006, as amended.
- 3 Margin Deposits of Rs. 306,900,000 (Previous Year Rs. Nil) have been placed as collateral for Assignment deals on which assignees have a paramount lien.
- 4 Deposits of Rs.10,000,000 (Previous Year Rs.10,000,000) are under lien with Bank.
- 5 Reconciliation of Cash and bank balances with cash and cash equivalents as at the close of the year:

Cash on Hand	20,022,283	987,667
Balances with scheduled banks		
In Current Accounts	314,823,422	240,725,475
Cash and cash equivalents	334,845,705	241,713,142
Other bank balances		
- in deposit accounts having original maturity greater than three months upto one year (under lien)	10,000,000	10,000,000
Cash and bank balances as at the close of the year	344,845,705	251,713,142

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. AN 15901

Ajay Sardana
Partner
Membership No. 089011
New Delhi, April 22, 2014

For and on behalf of the Board of Directors
of Indiabulls Infrastructure Credit Limited

Ajit Kumar Mittal
Whole-time Director
DIN : 02698115
New Delhi, April 22, 2014

Ashok Chandra
Director
DIN : 00010912

Lalit Narayan Mathpati
Company Secretary

Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

Note - 1

Corporate information:

Indiabulls Infrastructure Credit Limited (formerly Indiabulls Commercial Credit Limited) ("the Company") was incorporated on July 07, 2006 and is engaged in the business of financing, investment and allied activities. On February 12, 2008, the Company was registered under section 45-IA of the Reserve Bank of India Act, 1934 to carry on the business of a Non Banking Financial Company but does not have permission from the Reserve Bank of India to accept public deposits.

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 January 19, 2009, 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 January 21, 2009, in respect of the said change. Accordingly, the name of the Company was changed from Indiabulls Commercial Credit Limited to Indiabulls Infrastructure Credit Limited.

In accordance with the approval of the members of the Company, at their Extraordinary general meeting held on January 12, 2009 and of the Registrar of Companies, National Capital Territory of Delhi & Haryana, and pursuant to the provisions of Section 17 and other applicable provisions, if any, of the Companies Act, 1956, the main objects clause of the Company's Memorandum and Articles of Association, was altered as follows:

- a) To carry out infrastructure lending activities by providing credit facilities to different infrastructure projects.
- b) To carry on the business of financing, leasing, installment financing, refinancing, money lending, corporate lending, consortium finance with other institutions or bodies corporate for development of infrastructure projects including construction, power, telecommunication, roads, ports etc.
- c) To receive funds, deposits and investments from the public, Government agencies, financial institutions and corporate bodies; grant advances and loans; provide consultancy services for infrastructure projects, conduct advisory services related to banking activities, project financing, funding of mergers and acquisition activities; fund management and activities related to money market operations.
- d) To hold investments in various step down subsidiaries for investing, acquiring, holding, purchasing or procuring equity shares, debentures, bonds, mortgages, obligations, securities of any kind issued or guaranteed by the company.
- e) To provide financial consultancy services; to provide investment advisory services on the internet or otherwise; provide financial consultancy in the area of personal and corporate finance.
- f) To carry on the business of portfolio management services, investment advisory services; custodial services; asset management services; leasing and hire purchase; mutual fund services and to act as brokers of real estate and financial instruments.

Note - 2

Summary of significant accounting policies:

i) Basis of accounting:

These financial statements are prepared in accordance with Generally Accepted Accounting Principles in India (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 2013 (to the extent notified) and the Companies Act, 1956 (to the extent applicable). The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year.

ii) Prudential norms:

The Company hitherto followed the Prudential Norms prescribed by the Reserve Bank of India Non Banking Finance Companies Prudential Norms, 1998 for revenue recognition, Asset classification and provisioning. The Reserve Bank of India ("RBI") directions in respect of "Non Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 ("RBI Directions, 2007"), dated February 22, 2007 in respect of income recognition, income from investments, accounting of investments, asset classification, disclosures in the balance sheet and provisioning are followed by the Company. Accounting Standards (AS) as notified by the Companies (Accounting Standards) Rules, 2006 as amended and Guidance Notes issued by The Institute of Chartered Accountants of India ("ICAI") are followed insofar as they are not inconsistent with the RBI Directions, 2007.

iii) 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.

iv) 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.



v) 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.

vi) Revenue recognition:

— Interest Income from financing activities and others is recognised on an accrual basis. In terms of the RBI Directions, 2007, interest income on Non-performing assets ('NPAs') is recognised only when it is actually realised.

— Processing fees received in respect of loans is accounted for in year in which loan is disbursed.

— 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 once the loan is disbursed. Pending commencement of EMIs, Pre-EMI interest is payable every month and accounted for an accrual basis.

— Income from service fees are accounted on accrual basis.

—Interest income is accounted on accrual basis.

—Dividend on Units of Mutual Fund held by NBFC Companies is recognised on cash basis, as per RBI directions.

vii) Securitisation/Assignment of loan portfolio:

Derecognition of loans assigned/secured in the books of the Company, recognition of gain / loss arising on securitisation /assignment and accounting for credit enhancements provided by the Company is based on the extant guidelines.

Derecognition of loans assigned / securitised in the books of the Company is based on the principle of surrender of control over the loans resulting in a "true sale" of loans.

Residual income on Assignment / Securitisation of Loans is being recognised over the life of the underlying loans and not on an upfront basis.

Credit enhancement in the form of cash collateral, if provided by the Company, by way of deposits is included under Cash and bank balances / Loans and Advances, as applicable.

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 XIV of the Companies Act 1956. Depreciation on additions to fixed assets is provided on pro-rata basis from the date the asset is put to use. Depreciation on sale / deduction from fixed asset is provided for up to the date of sale / deduction as the case may be. Assets taken on finance lease are depreciated over the life of the lease. Assets costing less than Rs. 5000 or less are fully depreciated in the year of purchase. 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.

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) 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. In terms of the RBI Directions, 2007, unquoted current investments in equity shares are valued at cost or break-up value, whichever is lower. Unquoted current investments in units of mutual funds are valued at the net asset value declared by the mutual fund in respect of each particular scheme. Other Current investments are valued at lower of cost and fair value.

xii) 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.

xiii) Commercial papers:

The liability at the time of issue of commercial papers is recognized at face value of the commercial papers. Discount on issue of the commercial papers is amortized over the tenure of the commercial papers.

xiv) Employee benefits:

The Company's contribution to Provident Fund is charged to Statement of Profit and Loss. The Company has defined benefit plans namely compensated absences and gratuity for its employees the liability for which is determined on the basis of an actuarial valuation conducted annually by an independent actuary in accordance with Accounting Standards 15 (AS 15) (Revised 2005) Employee Benefits as notified under the Companies (Accounting Standards) Rules 2006 as amended. Actuarial gains and losses are recognised in Statement of Profit and Loss as income or expenses.

xv) 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.

xvi) 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.

xvii) Share/Debt issue expenses and premium/discount on issue:

Share/Debt issue expenses are adjusted against Securities Premium Account, net of tax effect, as permissible under Section 78(2) of the Companies Act, 1956, to the extent of balance available and thereafter, the balance portion is charged to the Statement of Profit and Loss, as incurred.

Premium/Discount on issue of debentures, net of tax effect, are adjusted against the Securities Premium Account, as permissible under Section 78(2) of the Companies Act, 1956, to the extent of balance available and thereafter, the balance portion is charged to the Statement of Profit and Loss, as incurred.

xviii) 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.

xix) 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.



xx) 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.

xxi) 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.

xxii) 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.

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Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

Note - 3

Share capital:

	As at March 31, 2014		As at March 31, 2013	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Authorised: <small>(Refer Note: 36)</small>				
Equity Shares of face value of Rs. 10 each	32,500,000	325,000,000	10,000,000	100,000,000
Preference Shares of face value of Rs. 10 each	22,500,000	225,000,000	22,500,000	225,000,000
Issued, subscribed and paid up:				
Equity Shares of face value of Rs. 10 each fully paid	10,000,000	100,000,000	10,000,000	100,000,000
10% Compulsory Convertible Preference Shares of Rs. 10 each fully paid up	22,500,000	225,000,000	22,500,000	225,000,000
As per Balance Sheet		325,000,000		325,000,000

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

(i) Equity Shares

	As at March 31, 2014		As at March 31, 2013	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Shares outstanding at beginning of the reporting year	10,000,000	100,000,000	10,000,000	100,000,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at end of the reporting year	10,000,000	100,000,000	10,000,000	100,000,000

(ii) 10% Compulsory Convertible Preference Shares

	As at March 31, 2014		As at March 31, 2013	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Shares outstanding at beginning of the reporting year	22,500,000	225,000,000	-	-
Shares issued during the year	-	-	22,500,000	225,000,000
Shares bought back during the year	-	-	-	-
Shares outstanding at end of the reporting year	22,500,000	225,000,000	22,500,000	225,000,000

b. (i) 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.

(ii) Terms/rights attached to 10% Compulsorily Convertible Preference Shares:

During the year ended March 31, 2013, the Company had issued 2,250,000 10% Compulsorily Convertible Preference Shares of Rs. 10 each fully paid up, on a private placement basis, at a premium of Rs. 80 per share. The said preference shares carry cumulative dividend @ 10% per annum. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Each holder of the Preference Shares is entitled to one vote per share only on resolutions placed before the Company which directly affects the rights attached to the Preference Shares.

The Preference Shares are convertible into equity shares, at any time at the option of the Preference Shareholders or on the expiry of 20 years from the date of allotment viz., March 26, 2013.



Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

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

Names of shareholders	As at March 31, 2014		As at March 31, 2013	
	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 equity share capital is held by Indiabulls Housing Finance Limited, the holding Company and its nominees	10,000,000	100%	10,000,000	100%
10% Compulsory Convertible Preference Shares of Rs. 10 each fully paid up				
The entire preference share capital is held by Indiabulls Housing Finance Limited, the holding Company and its nominees	22,500,000	100%	22,500,000	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. Employee Stock Option Schemes: (Refer Note 26)

	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 Amount (Rs.)
Note - 4		
Reserves and surplus:		
(a) Capital reserve		
Opening balance	1,696,727	1,696,727
Add: Additions during the year	-	-
Closing balance	1,696,727	1,696,727
(b) Capital redemption reserve		
Opening balance	40,000,000	40,000,000
Add: Additions during the year	-	-
Closing balance	40,000,000	40,000,000
(c) Securities premium account		
Opening balance	1,947,941,200	147,941,200
Add : Premium on preference shares issued	-	1,800,000,000
Less : Utilised during the year	-	-
Closing balance	1,947,941,200	1,947,941,200
(d) Other reserves		
(i) Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961		
Opening balance	7,441,000	-
Add: Amount transferred during the year from Surplus in the Statement of Profit and Loss ⁽¹⁾	30,000,000	7,441,000
Closing balance	37,441,000	7,441,000
(ii) Reserve Fund u/s 45IC of the R.B.I. Act, 1934		
Opening balance	133,040,601	118,093,090
Add: Amount transferred during the year from Surplus in the Statement of Profit and Loss ⁽²⁾	48,942,362	14,947,511
Closing balance	181,982,963	133,040,601
(e) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	492,013,069	440,033,889
Add : Profit /(Loss) during the year	244,711,811	74,737,554
Amount available for appropriations [A]	736,724,880	514,771,443
Appropriations:		
Transferred to Special Reserve u/s 36(1)(viii) of the Income Tax Act,	30,000,000	7,441,000
Transferred to Reserve Fund u/s 45-IC of the R.B.I. Act, 1934	48,942,362	14,947,511
Provision for dividend on Preference Shares	22,500,000	369,863
Total appropriations [B]	101,442,362	22,758,374
Balance of surplus carried forward [A-B]	635,282,518	492,013,069
As per Balance Sheet	2,844,344,408	2,622,132,597



Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

Note - 4

Reserves and surplus: (continued)

(1) In terms of Section 36(1)(viii) of the Income Tax Act, 1961, a deduction is allowed for income from eligible business viz. Income from providing long-term infrastructure finance, long-term finance for the construction or purchase houses in India for residential purposes and the business of providing long-term finance for industrial or agricultural development etc. The Company claims the deduction as it falls under some of the categories of eligible business as defined under Section 36(1)(viii) of the Income Tax Act, 1961. Consequently the Company has, as at year end, transferred an amount of Rs. 30,000,000 (Previous year Rs. 7,441,000) to the special reserve account to claim deduction in respect of eligible business under the said section.

(2) In terms of Section 45-IC of the RBI Act, 1934, the Company is required to transfer at least 20% of its Net Profits (after tax) to a reserve before any dividend is declared. As at the year end, the Company has transferred an amount of Rs. 48,942,362 (Previous year Rs. 14,947,511) to the reserve fund.

	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 Amount (Rs.)
Note - 5		
Long-term borrowings:		
Secured <small>(Refer Note 23)</small>		
Term Loan		
- from banks	2,611,111,111	-
Other Loan		
- from Holding Company - Indiabulls Housing Finance Limited	113,500,000	-
	2,724,611,111	-

There is no continuing default in the repayment of the aforesaid loans or interest thereon as at the balance sheet date

	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 Amount (Rs.)
Note - 6		
Long-term provisions:		
(a) Provision for employee benefits		
Provision for gratuity <small>(Refer Note: 27)</small>	11,318,481	1,204,452
Provision for compensated absences <small>(Refer Note: 27)</small>	5,281,840	787,322
(b) Contingent provisions against standard assets <small>(1) (Refer Note: 34)</small>	23,053,755	11,041,751
As per Balance Sheet	39,654,076	13,033,525

(1) In terms of RBI's Notification No.RBI/2010-11/370 DNBS.PD.CC.No.207/03.02.002/2010-11 dated January 17, 2011, every Non Banking Financial Company ("NBFC") is required to make an additional provision on standard assets at 0.25 percent of the outstanding standard assets as at the year end.

	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 Amount (Rs.)
Note - 7		
Short-term borrowings:		
Secured		
Loans repayable on demand		
From banks- Overdraft Facility*	1,500,000,000	-
Unsecured		
Other Loans and advances		
Commercial papers**	5,500,000,000	2,000,000,000
As per Balance Sheet	7,000,000,000	2,000,000,000

*Secured by charge on the standard assets portfolio of Loan Receivables of the Company.

** Maximum balance outstanding during the year Rs. 7,600,000,000 (Previous year Rs. 2,000,000,000)

There is no default as at the Balance Sheet date in repayment of aforesaid loan or interest thereon.



Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 Amount (Rs.)
Note - 8		
Other current liabilities		
Current maturities of long term debt ⁽¹⁾	888,888,889	-
Interest accrued but not due ⁽²⁾	1,319,178	-
Temporary overdrawn bank balances as per books	5,863,708	-
Amount payable on Assigned Loans	55,083,554	-
Other Current Liabilities for :		
- Statutory dues	13,737,409	273,028
- Expenses payable	19,724,601	5,873,604
As per Balance Sheet	984,617,339	6,146,632

(1) Current maturities of long term debt
 Term Loans from banks ^(Refer Note 23)

	888,888,889	-
	888,888,889	-

(2) Interest accrued but not due
 On Overdraft facility

	1,319,178	-
	1,319,178	-

	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 Amount (Rs.)
Note - 9		
Short term provisions		
(a) Provision for employee benefits		
Provision for gratuity ^(Refer Note: 27)	353,337	20,857
Provision for compensated absences ^(Refer Note: 27)	189,746	26,461
	543,083	47,318
(b) Provision for dividend on preference shares	22,869,863	369,863
(c) Provision for tax [net of advance tax, tax deducted at source Rs. 2,47,93,028(Previous year Rs.13,952,577)]	91,206,972	8,773,709
(d) Contingent provisions against standard assets ^(Refer Note 34)	8,835,838	-
	122,912,673	9,143,572
As per Balance Sheet	123,455,756	9,190,890

Note - 10
Tangible assets:

Particulars	Amount (Rs.)			
	Office equipments	Furniture and fixtures	Computers	Total
Opening balance as at April 01, 2012	34,182	48,005	142,190	224,377
Additions during the year	-	-	-	-
Adjustments/Sales during the year	-	-	-	-
As at March 31, 2013	34,182	48,005	142,190	224,377
Additions during the year	2,692,524	306,517	776,013	3,775,054
Adjustments/Sales during the year	-	-	-	-
As at March 31, 2014	2,726,706	354,522	918,203	3,999,431
Depreciation				
Opening balance as at April 01, 2012	6,571	16,444	120,643	143,658
Charge for the year	1,538	3,039	21,547	26,124
Adjustments/Sales during the year	-	-	-	-
As at March 31, 2013	8,109	19,483	142,190	169,782
Charge for the year	93,820	129,120	102,231	325,171
Adjustments/Sales during the year	-	-	-	-
As at March 31, 2014	101,929	148,603	244,421	494,953
Net block				
As at March 31, 2013	26,073	28,522	-	54,595
As at March 31, 2014	2,624,777	205,919	673,782	3,504,478



Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 Amount (Rs.)
Note - 11		
Deferred tax assets: (Net)		
Deferred tax assets:		
Arising on account of temporary differences due to:		
Disallowance under Section 40A(7) of the Income Tax Act, 1961	1,571,105	416,483
Disallowance under Section 43B of the Income Tax Act, 1961	432,240	276,605
Provision for loan assets and contingent provision against standard assets	20,271,498	3,753,091
	22,274,843	4,446,179
Deferred tax liabilities:		
Arising on account of temporary differences due to:		
On difference between book balance and tax balance of fixed assets	103,440	2,040
	103,440	2,040
As per Balance Sheet	22,171,403	4,444,139

In compliance with AS - 22 'Accounting for Taxes on Income' as notified under the Companies (Accounting Standards) Rules, 2006 as amended, the Company has recorded deferred tax credit of Rs. 1,77,27,264 (Previous year Rs. 41,65,289) to the Statement of Profit and Loss for the year.

	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 Amount (Rs.)
Note - 12		
Long-term loans and advances		
(i) Loans and other credit facilities		
(a) Secured loans ⁽¹⁾		
- Considered good	9,991,357,512	5,031,449,865
Less : Securitised/Assigned ^(Refer Note 35)	1,939,855,405	660,449,552
	8,051,502,107	4,371,000,313
Secured Loans to related parties		
- to fellow subsidiary Company - Indiabulls Finance Company Private Limited	430,000,000	-
(b) Unsecured loans		
- Considered good	925,000,000	-
Total Loan (a+b)	9,406,502,107	4,371,000,313
Less: Provision for Loan Assets ⁽²⁾	27,750,000	-
	9,378,752,107	4,371,000,313
(ii) Other Unsecured Loans and Advances		
Capital advances	325,864	-
Security Deposits for Rent	5,307,777	-
Balances with government authorities		
Income taxes	33,008,676	19,445,828
[Net of provision for tax Rs. 235,384,672 (Previous year Rs. 177,655,086)]		
As per Balance Sheet	9,417,394,424	4,390,446,141

(1) Secured loans and other credit facilities given to customers amounting to Rs. 8,481,502,107 (Previous year Rs. 4,371,000,313) are secured against equitable mortgage of property or pledge of shares, units, other securities or hypothecation of assets or bank guarantee, company guarantee, personal guarantee or negative lien or undertaking to create a security.



Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 Amount (Rs.)
Note 12		
Long-term loans and advances (continued):		
(2) Movement in Provision for Loan Assets is as under :		
Opening Balance	-	-
Add: Transfer from Statement of Profit and Loss	27,750,000	-
Less: Utilised during the year	-	-
Closing Balance	27,750,000	-
	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 Amount (Rs.)
Note - 13		
Other non-current assets		
Margin Money /Deposit accounts having maturity greater than one year (under lien)	306,900,000	-
Interest Accrued on Margin Money/Deposit accounts	3,425,468	-
Interest accrued but not due on loans	99,129,882	-
As per Balance Sheet	409,455,350	-
	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 Amount (Rs.)
Note - 14		
Current investments:		
(At lower of cost and fair value, unless otherwise stated)		
(a) Non-trade, Quoted		
Investment in units of mutual funds:		
- Indiabulls Mutual Fund -Growth	-	110,000,000
[No. of units Nil (Previous year :11,000,000.000) purchased at NAV Rs.N.A. (Previous year Rs. 10.0000) per unit]		
- Indiabulls Mutual Fund -Growth	-	50,000,000
[No. of units Nil (Previous year :5,000,000.000) purchased at NAV Rs.N.A. (Previous year Rs. 10.0000) per unit]		
As per Balance Sheet	-	160,000,000
Aggregate book value of unquoted investments	-	-
Aggregate book value of quoted investments	-	160,000,000
Aggregate market value of quoted investments	-	177,043,600
N.A.-Not Applicable		
	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 Amount (Rs.)
Note - 15		
Cash and bank balances		
Cash and cash equivalents		
(a) Cash on hand	20,022,283	987,667
(b) Balance with banks		
- in current accounts	314,823,422	240,725,475
	334,845,705	241,713,142
Other bank balances		
- in deposit accounts having original maturity greater than three months upto one year (under lien)	10,000,000	10,000,000
As per Balance Sheet	344,845,705	251,713,142



Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 Amount (Rs.)
Note - 16		
Short-term loans and advances		
(i) Loans and Other Credit Facilities		
(a) Secured loans⁽¹⁾		
- Considered good	4,173,284,589	-
Less : Securitised/Assigned <small>(Refer Note 35)</small>	869,469,395	-
	3,303,815,194	-
(b) Unsecured loans		
- Considered good	230,520,000	-
(c) Unsecured Loans to Related Parties		
-Indiabulls Life Insurance Company Limited	-	45,700,000
Total Loan	3,534,335,194	45,700,000
(ii) Other Unsecured loan and advances		
Advance interest on Commercial Papers	84,682,858	42,966,000
Security Deposit with others	90,002,000	-
Security Deposits for Rent	2,145,342	-
Amount receivable from Holding Company on assigned loans (Net)	347,630	63,294,175
Advances recoverable in cash or in kind or for value to be received	3,559,383	66,885
As per Balance Sheet	3,715,072,407	152,027,060

(1) Secured loans and other credit facilities given to customers amounting to Rs. 3,303,815,194 (Previous year Rs.Nil) are secured against equitable mortgage of property or pledge of shares, units, other securities or hypothecation of assets or bank guarantee, company guarantee, personal guarantee or negative lien or undertaking to create a security.

	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 Amount (Rs.)
Note - 17		
Other current assets:		
Interest accrued on fixed deposits	7,192	9,589
Interest accrued but not due on loans	129,231,731	16,808,978
As per Balance Sheet	129,238,923	16,818,567

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Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

	For the year ended March 31, 2014 Amount (Rs.)	For the year ended March 31, 2013 Amount (Rs.)
Note - 18		
Revenue from operations:		
(a) Income from Financing and Investing Activities		
Income from Financing Activities ⁽¹⁾	1,657,031,570	71,262,092
(b) Income from other Financial Services		
Other operating Income ⁽²⁾	38,680,885	16,400,000
As per Statement of Profit and Loss	1,695,712,455	87,662,092

(1) Income on Financing Activities includes:		
Interest on financing activity /Income from assignment	1,633,442,197	71,252,503
Interest on Investments in Non Convertible Debentures	19,262,466	-
Interest on fixed deposits (Gross)	4,326,907	9,589
	1,657,031,570	71,262,092

(2) Other operating Income includes:		
Loan processing fees	38,948,210	16,400,000
Foreclosure fees and other related income	10,611,221	-
Less: Direct Selling Agents Commission	10,878,546	-
	38,680,885	16,400,000

	For the year ended March 31, 2014 Amount (Rs.)	For the year ended March 31, 2013 Amount (Rs.)
Note - 19		
Other income		
Dividend income on units of Mutual Funds (current investments)	13,117,179	28,955,038
Profit on sale of Current Investments	31,617,438	296,238
Miscellaneous Income	86,160	-
Balances written back	20,824	-
As per Statement of Profit and Loss	44,841,601	29,251,276

	For the year ended March 31, 2014 Amount (Rs.)	For the year ended March 31, 2013 Amount (Rs.)
--	--	--

Note - 20		
Employee benefits expense:		
Salaries	178,094,547	5,553,192
Contribution to provident fund and other statutory funds	986,902	53,780
Provision for gratuity ^(Refer Note 27)	4,982,853	1,036,667
Provision for compensated absences ^(Refer Note 27)	457,886	756,026
Staff welfare	1,881,075	638
As per Statement of Profit and Loss	186,403,263	7,400,303



Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

	For the year ended March 31, 2014	For the year ended March 31, 2013
	Amount (Rs.)	Amount (Rs.)
Note - 21		
Financial costs:		
Interest on Loans	632,462,510	-
Interest on commercial papers	328,141,942	2,046,000
Interest on taxes	3,079	155,516
Bank Charges towards Borrowings	138,961	115,039
Processing and other Fee	5,309,000	-
As per Statement of Profit and Loss	966,055,492	2,316,555

	For the year ended March 31, 2014	For the year ended March 31, 2013
	Amount (Rs.)	Amount (Rs.)
Note - 22		
Other expenses:		
Collection charges	1,180,257	-
Client verification charges	2,264,656	-
Demat Charges	111,415	-
Stamp paper	4,318,451	713,750
Service charges	1,061,800	-
Rates and taxes	1,787,209	128,233
Communication Expenses	4,352,795	-
Legal and professional fees	17,890,232	131,180
Rent and Other Charges ⁽¹⁾	29,821,637	-
Electricity expenses	3,696,027	-
Repair & maintenance	15,983,303	-
Recruitment Expenses	266,889	-
Printing and stationery	2,179,912	306,628
Travelling and conveyance	9,919,626	95,640
Business promotion	-	1,949,998
Auditor's remuneration (Including service tax)	56,180	112,360
Provision for Loan assets	27,750,000	-
Contingent provisions against standard assets ^(Refer Note 34)	20,847,842	10,429,046
Advertisement	4,001,500	-
Bad debts written off	96,838,623	-
Miscellaneous expenses	457,229	5,000
As per Statement of Profit and Loss	244,785,583	13,871,835

(1) The Company has taken office premises on Lease and Leave & License basis at various locations in India. Lease rent / License fees aggregating to Rs. 29,821,637 (Previous year Nil) in respect of the same have been charged to the Statement of Profit and Loss. The agreements are executed for periods ranging from 11 months to 6 years with a renewable clause. In many cases, the agreements also provide for termination at will by either party by giving a prior notice period between 30 to 90 days. The minimum lease rentals outstanding as at March 31, 2014, are as under:

Minimum Lease Rentals		
	For the year ended March 31, 2014	For the year ended March 31, 2013
Particulars	Amount (Rs.)	Amount (Rs.)
Within one year	30,136,572	-
One to Five years	41,077,694	-
Above Five Years	2,314,724	-
	73,528,990	-



Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

Note - 23

(i) Term Loans include:

Particulars	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 Amount (Rs.)
This loan is secured by way of hypothecation on book debts/receivables and current assets. This loan is repayable in 18 equal quarterly installments with a moratorium period of 6 months from the date of disbursement. The balance tenure for this loan is 54 months from the Balance Sheet date.	2,500,000,000*	-
This loan is secured by way of hypothecation on book debts/receivables. This loan is repayable in 3 yearly installments from the end of the first year from the date of disbursement. The balance tenure for this loan is 36 months from the Balance Sheet date.	1,000,000,000*	-
This loan is secured by hypothecation of first exclusive charge on receivable and current assets (including cash and cash equivalents) of the Company. This loan is repayable in bullet at the end of the tenure. The balance tenure for this loan is 33 months from the Balance Sheet date.	113,500,000	-
	3,613,500,000	-

* Includes current maturity of long term debt

Note - 24

Contingent Liability not provided for in respect of:

(a) Capital commitments (net of capital advances Rs. 325,864) on account of contracts remaining to be executed and not provided for, are estimated at Rs. 377,320 (Previous year Rs. Nil). There are no other commitments to be reported as at March 31, 2014 (Previous year Rs. Nil)

(b) There are no other contingent liabilities to be reported as at March 31, 2014 (Previous year Rs. Nil).

Note - 25

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

Particulars	As at March 31, 2014 Amount (Rs.)	As at March 31, 2013 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 - 26

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

(a) Stock option schemes of 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:

ERSTWHILE ICSL PLANS	New PLANS*
1. IBFSL - ICSL Employees Stock Option Plan 2006	IHFL - IBFSL Employees Stock Option Plan 2006
2. IBFSL - ICSL Employees Stock Option Plan II - 2006	IHFL - IBFSL Employees Stock Option Plan II - 2006
3. Employees Stock Option Plan 2008	IHFL - IBFSL Employees Stock Option Plan - 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 the Holding Company 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 the Holding Company to be issued in one or more tranches to eligible employees of the Holding Company or to eligible employees of its subsidiaries. The same has not yet been granted till March 31, 2014.



Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

Note - 26
Employees Stock Options Schemes of Indiabulls Housing Finance Limited ("the Holding Company" "IHFL"); (Continued)

Particulars	IHFL-IBFSL Employees Stock Option Plan - 2006	IHFL-IBFSL Employees Stock Option Plan II - 2006	IHFL-IBFSL Employees Stock Option - 2008	IHFL-IBFSL Employees Stock Option - 2008 - Re-grant	IHFL-IBFSL Employees Stock Option - 2008 - Re-grant	IHFL-IBFSL Employees Stock Option - 2006 - Re-grant	IHFL-IBFSL Employees Stock Option - 2008 - Re-grant	IHFL-IBFSL Employees Stock Option Plan II - 2006 - Re-grant
Total Options under the Scheme	1,440,000	720,000	7,500,000	N.A.	N.A.	N.A.	N.A.	N.A.
Options issued	1,440,000	720,000	7,500,000	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	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Date	1st April	1st November	8th December	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.	Ten years, 10% for every year				
Exercise Price (Rs.)	41.67	100.00	95.95	125.90	158.50	95.95	153.65	100.00
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
Outstanding at the beginning of the year (Nos.)	296,910	132,762	3,043,559	87,915	171,720	316,000	163,000	175,200
Regrant Addition	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Regrant Date	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.)	63,558	25,581	480,588	9,840	20,440	39,500	20,000	21,900
Exercised during the year (Nos.)	78,570	27,693	626,693	2,250	20,170	39,500	14,500	21,900
Expired during the year (Nos.)	-	-	-	-	-	-	-	-
Cancelled during the year	-	-	-	-	-	-	-	-
Lapsed during the year	12,672	5,118	92,864	27,615	8,000	-	-	-
Re-granted during the year	-	-	-	N.A.	N.A.	N.A.	N.A.	N.A.
Outstanding at the end of the year (Nos.)	205,668	99,951	2,324,002	58,050	143,550	276,500	148,500	153,300
Exercisable at the end of the year (Nos.)	3,888	21,489	186,803	17,010	470	39,500	8,500	21,900
Remaining contractual Life (Weighted Months)	60	72	87	82	99	89	103	89

N.A. - Not Applicable

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 the Holding Company. The Company had adopted the ESOS/ESOP scheme in respect of its employees. A Compensation Committee constituted by the Board of Directors of the Holding Company administers each of the above plans.

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



Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

Note - 27

Employee benefits:

(a) Defined contribution plans

The Company's contribution amounting to Rs. 45,984 (Previous year Rs. 969) to defined contribution plan (Provident Fund) is recognised as expenses in the Statement of Profit and Loss for the year ended March 31, 2014.

(b) Defined benefits plan

Provision for Gratuity and Compensated Absences for all employees is based upon actuarial valuation done at the end of every financial year/period. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. After the issuance of the Accounting Standard 15 (Revised 2005) on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

Disclosure in respect of Gratuity and Compensated Absences:

Particulars	Amount (Rs.)			
	Gratuity (unfunded) March 31, 2014	Gratuity (unfunded) March 31, 2013	Compensated absences (unfunded) March 31, 2014	Compensated absences (unfunded) March 31, 2013
Reconciliation of liability recognized in the Balance Sheet:				
Present value of commitments (as per actuarial valuation)	11,671,818	1,225,309	5,471,586	813,783
Fair value of plans	-	-	-	-
Net liability in the Balance Sheet (Actual)	11,671,818	1,225,309	5,471,586	813,783
Movement in net liability recognized in the Balance Sheet:				
Net liability as at beginning of the year	1,225,309	214,777	813,783	57,757
Net expense/(gain) recognized in the Statement of Profit and Loss	4,982,854	1,036,667	457,886	756,026
Benefits paid during the year	1,585,907	26,135	-	-
Contribution during the year	-	-	-	-
Acquisition Adjustment	7,049,562	-	4,199,917	-
Net liability as at end of the year	11,671,818	1,225,309	5,471,586	813,783
Expense recognized in the Statement of Profit and Loss				
Current service cost	2,868,042	1,036,667	1,738,290	756,026
Interest cost	98,025	-	65,103	-
Expected return on plan assets	-	-	-	-
Actuarial (gains)/ losses	2,016,787	-	(1,345,507)	-
Expense/(Income) charged to the Statement of Profit and Loss	4,982,854	1,036,667	457,886	756,026
Return on plan assets:				
Expected return on plan assets	-	-	-	-
Actuarial (gains)/ losses	-	-	-	-
Actual return on plan assets	-	-	-	-
Reconciliation of defined-benefit commitments:				
As at beginning of the year	1,225,309	214,777	813,783	57,757
Current service cost	2,868,042	1,036,667	1,738,290	756,026
Interest cost	98,025	-	65,103	-
Benefits paid during the year	1,585,907	26,135	-	-
Actuarial (gains)/ losses	2,016,787	-	(1,345,507)	-
Acquisition Adjustment	7,049,562	-	4,199,917	-
Commitments as at end of the year	11,671,818	1,225,309	5,471,586	813,783
Reconciliation of plan assets:				
Plan assets as at beginning of the year	-	-	-	-
Expected return on plan assets	-	-	-	-
Contributions during the year	-	-	-	-
Paid benefits	-	-	-	-
Actuarial (gains)/ losses	-	-	-	-
Plan assets as at end of the year	-	-	-	-



Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

Note - 27
Employee benefits: (Continued)

Experience adjustments:

Particulars	Gratuity (Unfunded)				
	Financial years				
	2013-14	2012-13	2011-12*	2010-11	2009-10
On plan liabilities	(2,994,777)	N.A.	N.A.	N.A.	N.A.
On plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Present value of benefit obligation	11,671,818	1,225,309	214,777	N.A.	N.A.
Fair value of plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Excess of (obligation over plan assets)/plan assets over obligation	11,671,818	1,225,309	214,777	N.A.	N.A.
Particulars	Compensated absences (Unfunded)				
	Financial years				
	2013-14	2012-13	2011-12*	2010-11	2009-10
On plan liabilities	893,802	N.A.	N.A.	N.A.	N.A.
On plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Present value of benefit obligation	5,471,586	813,783	57,757	N.A.	N.A.
Fair value of plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Excess of (obligation over plan assets)/plan assets over obligation	5,471,586	813,783	57,757	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, 2014	Year ended March 31, 2013
Discount rate – Gratuity and Compensated Absences	8.50%	8.00%
Expected return on plan assets	N.A.	N.A.
Expected rate of salary increase	5.00%	5.00%
Mortality table	IALM (2006-08)	IALM (1994-96)

N.A.: Not Applicable

*Liability for gratuity and compensated absences as at March 31, 2012 was determined on an accrual basis as permitted under Accounting Standard 15 (Revised 2005) – Employee Benefits, notified under Companies (Accounting Standards) Rules, 2006, as amended, as applicable to companies with few employees.

The employer best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity and Compensated Absences is Rs. 4,963,919 (Previous year Rs. 723,961) and Rs.2,055,429 (Previous year Rs.312,998) respectively.

Note - 28
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 financing and related activities. The Company operates solely in one Geographic segment namely "Within India". No further disclosures are required under Accounting Standard 17, Segment Reporting, as notified under the Companies (Accounting Standards) Rules, 2006 as amended, other than those already provided in the financial statements.

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Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

Note - 29

Disclosures in respect of AS - 18 'Related Party Disclosures' as notified under the Companies (Accounting Standards) Rules, 2006 as amended:

(a) Details of related parties:

Description of relationship	Names of related parties
Holding Company	Indiabulls Housing Finance Limited #
Fellow Subsidiary Companies (including step-down subsidiaries)	Indiabulls Advisory Services Limited
	Nilgiri Financial Consultants Limited (Subsidiary of Indiabulls Insurance Advisors Limited)
	Indiabulls Capital Services Limited
	Indiabulls Insurance Advisors Limited
	Indiabulls Asset Holding Company Limited
	Indiabulls Alternative Asset Management Private Limited (upto February 07, 2013)
	Indiabulls Collection Agency Limited
	Indiabulls Asset Management Company Limited
	Indiabulls Finance Company Private Limited
	Indiabulls Life Insurance Company Limited
	Indiabulls Trustee Company Limited
	Ibulls Sales Limited
	Indiabulls Venture Capital Management Company Limited (Subsidiary of Indiabulls Holdings Limited)
	Indiabulls Venture Capital Trustee Company Limited (Subsidiary of Indiabulls Holdings Limited)
	Indiabulls Asset Reconstruction Company Limited ** (Subsidiary of Indiabulls Advisory Services Limited)
	Indiabulls Holdings Limited
Key Management Personnel	Mr. Ajit Kumar Mittal – Whole-time Director (w.e.f.30.09.2013)
	Mr. Vivek Tukaram Sutar – Whole-time Director (upto 30.09.2013)
	Mr. Ashok Kumar Sharma – Director
	Mr. Anil Malhan – Director
	Mr. Rajiv Rattan, Individual exercising significant influence
	Mr. Sameer Gehlaut, Individual exercising significant influence
	Mr. Saurabh Mittal, Individual exercising significant influence
Mr. Gagan Banga, Individual exercising significant influence	

The Board of directors of the IBFSL at their meeting held on April 27, 2012 had approved the Scheme of Arrangement involving merger of Indiabulls Financial Services Limited (IBFSL, the Holding Company) with Indiabulls Housing Finance Limited ("IHFL") in terms of the provisions of Section 391 to 394 of the Indian Companies Act, 1956 (the "Scheme"). The appointed date of the proposed merger fixed under the Scheme was April 1, 2012. The Hon'ble High Court of Delhi, vide its order dated December 12, 2012, received by IHFL on February 8, 2013, approved the Scheme (Order). In terms of the court approved Scheme, with the filing of the copy of the Order, on March 08, 2013, with the office of The Registrar of Companies, NCT of Delhi & Haryana (the Effective Date), IBFSL, as a going concern, stands amalgamated with IHFL with effect from the Appointed Date, being April 1, 2012. Consequent to the Scheme becoming effective, all the assets and liabilities of IBFSL stand merged with IHFL. Consequently IHFL has become the Holding Company of the Company effective April 1, 2012.

** Indiabulls Asset Reconstruction Company Limited ("IARCL") became subsidiary of Indiabulls Advisory Services Limited with effect from January 11, 2013. Prior to January 11, 2013 IARCL was an associate of IBFSL.



Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

Note - 29

Disclosures in respect of AS - 18 'Related Party Disclosures' as notified under the Companies (Accounting Standards) Rules, 2006 as amended: (Continued)

(b) Significant transactions with related parties:

Nature of Transaction	Amount (Rs.)		
	Holding Company	Fellow Subsidiary Companies	Total
Finance			
Issue of Preference Shares (Including Securities Premium)	-	-	-
	2,025,000,000	-	2,025,000,000
Loan taken	5,620,000,000	-	5,620,000,000
(Maximum balance outstanding at any time during the year)	250,000,000	-	250,000,000
Loan given	-	478,150,000	478,150,000
(Maximum balance outstanding at any time during the year)	-	45,700,000	45,700,000
Issue of Commercial Papers#	2,314,273,450	-	2,314,273,450
	-	-	-
Loans and advances			
Purchase of Loan Receivables	1,385,841,735	-	1,385,841,735
	2,483,946,709	-	2,483,946,709
Income			
Interest Income	-	4,100,414	4,100,414
	-	4,060,368	4,060,368
Expenses			
Interest Expenses	431,648,014	-	431,648,014
	-	-	-
Interest on Commercial Papers	35,726,550	-	35,726,550
	-	-	-
Service Charges	1,000,000	-	1,000,000
	-	-	-
Current Investments			
Sale of Current investments in Commercial Papers	404,098,870	-	404,098,870
	-	-	-

(Previous year's figures are stated in italics)

(c) Statement of material transactions:

Particulars	Amount (Rs.)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
Issue of Preference Shares (Including Securities Premium)		
-Indiabulls Housing Finance Limited	-	2,025,000,000
Loan taken		
(Maximum balance outstanding at any time during the year)		
-Indiabulls Housing Finance Limited	5,620,000,000	250,000,000
Loan given		
(Maximum balance outstanding at any time during the year)		
- Indiabulls Life Insurance Company Limited	48,150,000	45,700,000
- Indiabulls Finance Company Private Limited	430,000,000	-
Purchase of Loan Receivables		
-Indiabulls Housing Finance Limited	1,385,841,735	2,483,946,709
Sale of Loan Receivables		
-Indiabulls Financial Services Limited	-	-
Interest on loans given		
- Indiabulls Life Insurance Company Limited	3,296,578	4,060,368
- Indiabulls Finance Company Private Limited	803,836	-
Interest on loans taken		
-Indiabulls Housing Finance Limited	431,648,014	-
Interest on Commercial Papers		
-Indiabulls Housing Finance Limited	35,726,550	-
Service Charges		
-Indiabulls Housing Finance Limited	1,000,000	-
Issue of Commercial Papers#		
-Indiabulls Housing Finance Limited	2,314,273,450	-
Sale of Current investments in Commercial Papers		
-Indiabulls Housing Finance Limited	404,098,870	-

#Net of advance interest on Commercial Papers



Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

(d) Outstanding at year ended March 31, 2014:

Nature of Transaction	Amount (Rs.)		
	Holding Company	Fellow Subsidiary Companies	Total
Loans taken			
- Indiabulls Housing Finance Limited	113,500,000	-	113,500,000
	-	-	-
Loans given			
- Indiabulls Life Insurance Company Limited		-	-
		45,700,000	45,700,000
- Indiabulls Finance Company Private Limited		430,000,000	430,000,000
		-	-
Amount receivable on assigned loans			
- Indiabulls Housing Finance Limited	347,630	-	347,630
	63,294,175	-	63,294,175

Note: Figures in italics relate to the previous year

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 as identified by the Company and relied upon by the Auditors.

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, 2014	Year ended March 31, 2013
Net Profit/(Loss) after tax (Rs.)	244,711,811	74,737,554
Less: Provision for dividend on preference shares	22,500,000	369,863
Net Profit/(Loss) available for equity shareholders for computing Basic earnings per shares (Rs.)	222,211,811	74,367,691
Weighted average number of equity shares used for computing Basic earnings per share	10,000,000	10,000,000
Earnings per share – Basic (Rs. Per Share)	22.22	7.44
Net Profit/(Loss) available for equity shareholders for computing Diluted earnings per shares (Rs.)	244,711,811	74,737,554
Weighted average number of equity shares used for computing Diluted earnings per share	32,500,000	10,369,863
Earnings per share – Diluted (Rs. Per Share)	7.53	7.21
Nominal value of equity shares – (Rs. Per Share)	10.00	10.00

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Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

Note - 31

Schedule in terms of disclosures as at March 31, 2014 in respect of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007:

Particulars	Amount (Rs.)	
	Amount Outstanding	Amount Overdue
Liabilities side:		
(1) Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	Nil	Nil
: Unsecured (other than falling within the meaning of public deposits)	Nil	Nil
(b) Deferred Credits	Nil	Nil
(c) Term Loans	3,500,000,000	Nil
(d) Inter-corporate loans and borrowing		Nil
(e) Commercial Paper	5,500,000,000	Nil
(f) Other Loans		
– Overdraft Facility (including interest accrued but not due)	1,501,319,178	Nil
– Loan from Holding Company	113,500,000	Nil
Assets side:		Amount Outstanding
(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below:]		
(a) Secured		11,785,317,301
(b) Unsecured		1,374,899,530
(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
(b) Operating lease		Nil
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire		Nil
(b) Repossessed Assets		Nil
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed		Nil
(b) Loans other than (a) above		Nil
(4) Break-up of Investments:		
Current Investments		
1. Quoted:		
(i) Shares : (a) Equity		Nil
: (b) Preference		Nil
(ii) Debentures and Bonds		Nil
(iii) Units of mutual funds		Nil
(iv) Government Securities		Nil
(v) Others (please specify)		Nil
2. Unquoted:		
(i) Shares : (a) Equity		Nil
: (b) Preference		Nil
(ii) Debentures and Bonds		Nil
(iii) Units of mutual funds		Nil
(iv) Government Securities		Nil
(v) Others (please specify)		Nil
Long Term investments :		
1. Quoted :		
(i) Shares : (a) Equity		Nil
: (b) Preference		Nil
(ii) Debentures and Bonds		Nil
(iii) Units of mutual funds		Nil
(iv) Government Securities		Nil
(v) Others (please specify)		Nil
2. Unquoted :		
(i) Shares : (a) Equity		Nil
: (b) Preference		Nil
(ii) Debentures and Bonds		Nil
(iii) Units of mutual funds		Nil
(iv) Government Securities		Nil
(v) Others (please specify)		Nil



Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

(5) Borrower group-wise classification of assets financed as in (2) and (3) above:

Category	Amount net of provisions (Rs.)		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	430,000,000	Nil	430,000,000
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties*	11,355,317,301	1,155,520,000	12,510,837,301
Total	11,785,317,301	1,155,520,000	12,940,837,301

*Excludes contingent provision against standard assets

(6) Investor group-wise classification of all investments (Current and Long term) in shares and securities (both quoted and unquoted):

Category	Market Value / Break up or fair value or NAV (Rs.)	Book Value (Net of Provision) (Rs.)
1. Related Parties		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties:		
-Indiabulls Mutual Fund -Growth	Nil	Nil
Total	Nil	Nil

(7) Other information:

Particulars	Amount (Rs.)
(i) Gross Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	185,000,000
(ii) Net Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	157,250,000
(iii) Assets acquired in satisfaction of debt	Nil

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the Auditors.

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Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

Note - 32

Disclosures as at March 31, 2014 in terms of RBI notification no. RBI/2008-09/116 DNBS (PD). CC. No. 125/03.05.002 / 2008-2009 dated August 1, 2008 and applicable RBI Guidelines in respect of all non-deposit taking NBFCs with asset size of Rs 100 crore and above (All NBFC-ND-SI):

(i) Disclosure of Capital to Risk Assets Ratio (CRAR):

Items	As at March 31, 2014	As at March 31, 2013
CRAR (%)	20.67%	62.84%
CRAR - Tier I Capital (%)	20.67%	62.61%
CRAR - Tier II Capital (%)	0.00%	0.23%

(ii) Exposure to Real Estate Sector:

Category	Amount (Rs. In Lakhs)	
	As at March 31, 2014	As at March 31, 2013
Direct Exposure		
(a) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to Rs.15 lakh may be shown separately)	8,689.78	2,304.92
(b) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	26,741.15	6,542.69
(c) Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
(i) Residential	Nil	Nil
(ii) Commercial Real Estate	Nil	Nil
Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	Nil	Nil

(iii) Maturity pattern of certain items of assets and liabilities as at March 31, 2014 :

Particulars	Amount (Rs.)			
	Liabilities		Assets	
	Borrowing from Banks	Market Borrowings	Advances	Investments
1day to 30/31 days (one month)	-	900,000,000	1,005,388,869	-
Over one month to 2 months	-	-	243,458,070	-
Over 2 months to 3 months	138,888,889	1,300,000,000	1,100,893,946	-
Over 3 months to 6 months	888,888,889	-	1,282,709,122	-
Over 6 months to 1 year	1,361,111,111	-	1,587,151,745	190,800,000
Over 1 year to 3 years	1,777,777,778	3,300,000,000	5,278,161,544	126,100,000
Over 3 years to 5 years	833,333,333	113,500,000	1,818,909,463	-
Over 5 years	-	-	1,047,262,481	-
Total	5,000,000,000	5,613,500,000	13,363,935,240	316,900,000

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the Auditors.

Note - 33

Managerial Remuneration under Section 198 of the Companies Act, 1956:

The Company has not made any payments to Mr. Ajit Kumar Mittal, Whole-time Director during the year ended March 31, 2014, during the currency of his tenure as Whole-time Director of the Company. As no commission is payable to Directors, the computation of Net Profits in accordance with Section 309 (5) read with Section 349 of The Companies Act, 1956 has not been furnished.

Note - 34

In terms of RBI's Notification No. RBI/2010-11/370 DNBS.PD.CC.No.207/ 03.02.002 /2010-11 dated January 17, 2011, every Non Banking Financial Company is required to make provision for standard assets at 0.25 percent of the outstanding, standard assets. Accordingly, the Company has recognized Contingent Provisions against Standard Assets of Rs. 31,889,593 as at March 31, 2014 (Previous year Rs. 11,041,751).



Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

Note - 35

The Company has entered into various agreements for the assignment/securitisation of loans with assignees, wherein it has assigned/secured a part of its secured loan portfolio aggregating to Rs. 5,401,357,523 (Previous year Rs. 2,986,077,847) up to March 31, 2014, being the principal value outstanding as on the date of the deals that are outstanding as on the Balance Sheet date. The outstanding receivables in respect of the aforesaid assigned/secured loans was Rs 2,809,324,800 (Previous year Rs 660,449,552) as at March 31, 2014, for which the Company has provided credit enhancement in the form of cash collateral of Rs 306,900,000 (Previous year Rs Nil) by way of fixed deposits in compliance with Minimum Retention Requirements as specified in the applicable Guidelines of the Reserve Bank of India

The Company assigned/secured various loan portfolios to banks and/or other institutions which are derecognised in the books of accounts of the Company in terms of accounting policy mentioned in Significant Accounting policies in Note 2 (vii) above and residual income on these Loans is being recognised over the life of the underlying loans and not on an upfront basis.

Note - 36

Changes in capital structure:

On February 7, 2011, the Board of Directors of the Company approved the revision in the terms of issue of the 4,000,000 10% Compulsorily Convertible Preference Shares allotted on March 31, 2010 to Indiabulls Financial Services Limited ("the Holding Company"). Further to the revision in terms, the said Preference Shares were designated as 4,000,000 10% Optionally Convertible Preference Shares, redeemable at the option of the Holding Company, within period of 19 years from the date of issuance.

On March 21, 2011, the Board of Directors of the Company, upon request received from the Holding Company, approved the redemption of 4,000,000 10% Optionally Convertible Preference Shares of face value of Rs. 10 per share amounting to Rs. 40,000,000 at a premium of Rs. 990 per share. The premium payable on redemption of Rs. 3,960,000,000 was paid out by utilizing the balance in the Securities Premium account, as permitted under the Companies Act, 1956. As the Company has redeemed the preference shares out of its profits, capital redemption reserve equal to the face value of the redeemed preference of Rs. 40,000,000 was created. Consequently, the paid-up Preference Share Capital of the Company was fully repaid as at March 31, 2011.

In pursuance of Section 95 and other applicable provisions, if any, of the Companies Act, 1956, members of the Company in their meeting held on March 26, 2013 granted their approval for reclassification the authorized share capital from Rs.300,000,000, divided into 25,000,000 equity shares of face value of Rs.10 each and 5,000,000 preference shares of face value of Rs.10 each, to Rs. 100,000,000, divided into 10,000,000 equity shares of face value of Rs. 10 each and Rs. 200,000,000, divided into 20,000,000 preference shares of face value of Rs. 10 each.

In pursuance of Section 97 and other applicable provisions, if any, of the Companies Act, 1956, members of the Company in their meeting held on March 26, 2013 granted their approval for increase in the authorized share capital from Rs.300,000,000 to Rs.325,000,000, divided into 10,000,000 equity shares of face value of Rs.10 each and 22,500,000 preference shares of face value of Rs.10 each. As a consequence of the above, as at March 31, 2013, the authorised share capital was increased from Rs. 300,000,000 to Rs. 325,000,000.

On March 26, 2013 ("the Company"), pursuant to the approval granted by the Members of the Company, at the meeting held on March 26, 2013, has issued 22,500,000 10% Compulsory Convertible Preference Shares of face value Rs.10 per share at a premium Rs.990 to its holding Company Indiabulls Housing Finance Limited ("IHFL").

As a consequence of the above, as at March 31, 2013, the Issued, Subscribed and Paid-up Share Capital was increased from Rs. 100,000,000 to Rs. 325,000,000.

In pursuance of Section 97 and other applicable provisions, if any, of the Companies Act, 1956, members of the Company in their meeting held on October 14, 2013 granted their approval for increase in the authorized share capital from Rs.325,000,000 to Rs.550,000,000, divided into 32,500,000 equity shares of face value of Rs.10 each and 22,500,000 preference shares of face value of Rs.10 each. As a consequence of the above, as at March 31, 2014, the authorised share capital was increased from Rs. 325,000,000 to Rs. 550,000,000.

Note - 37

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 notified under the Companies (Accounting Standards) Rules, 2006 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 - 38

In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at March 31, 2014 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.



Indiabulls Infrastructure Credit Limited
Notes to financial statements for the year ended March 31, 2014

Note - 39

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, 2014 (Previous year Rs. Nil)

Note - 40

There are no borrowing costs to be capitalised as at March 31, 2014 (Previous year Rs. Nil) .

Note - 41

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, 2014 (Previous year Rs. Nil).

Note - 42

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

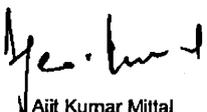
As per our report of even date

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



Ajay Sardana
Partner
Membership No. 089017
New Delhi, April 22, 2014

For and on behalf of the Board of Directors
of Indiabulls Infrastructure Credit Limited


Ajit Kumar Mittal
Whole-time Director
DIN : 02698115
New Delhi, April 22, 2014


Ashok Sharma
Director
DIN : 00010912


Lalit Narayan Mathpati
Company Secretary

