

# Agarwal Prakash & Co.

CHARTERED ACCOUNTANTS

508, Indra Prakash, 21, Barakhamba Road, New Delhi – 110001

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## INDEPENDENT AUDITOR'S REPORT

To the Members of Indiabulls Life Insurance Company Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Indiabulls Life Insurance Company Limited ("the Company"), which comprise the balance sheet as at 31 March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2023, its loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ('SA's) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are



required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify



our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other Matter**

The audit of financial statements for the year ended 31 March 2022 was carried out by Ajay Sardana Associates, Firm's registration No.: 016827N vide their unmodified audit report dated 28 May 2022, whose audit report has been furnished to us by the management of the Company. Our opinion is not modified in respect of this matter.

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

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared and paid dividend during the year.
- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- (h) With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

**Praveen Keshav**  
Partner  
Membership No. 535106  
UDIN: 23535106BGYUWI1863



Place: New Delhi  
Date: 25 May 2023

## Annexure A to the Independent Auditor's Report

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2023, based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a to d) The Company has no Property, Plant and Equipment (including Right of use assets) and intangible assets during the year. Accordingly, clauses 3(i)(a) to 3(i)(d) of the Order is not applicable.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company has no inventory during the year. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information, explanation and representation provided to us and based on verification carried out by us, during the year, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, clause 3(ii)(b) of the Order is not applicable.
- (iii) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured and to companies, firms, limited liability partnership or any other parties during the year. The Company has granted loans to company in respect to which the requisite information is as below. The Company has not made any investments in companies, firms, Limited liability partnership or any other parties.
- (a) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has provided loans as follows:

Particulars	(₹ in Crore)
	Loans
<b>Aggregate amount granted during the year</b>	
-Holding Company	0.15
<b>Balances outstanding(gross) as at balance sheet date in respect of the above cases</b>	
-Holding Company	-

- (b) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has not granted any loans, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured and to companies, firms, limited liability partnership or any other parties during the year. Further, in our opinion, the investments made in Holding Company, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has granted loans to the Holding Company that



are repayable on demand. The loans, which were, demanded during the year, have been duly received.

- (d) According to the information, explanation and representation provided to us and based on verification carried out by us, there are no amounts of loans and advances in the nature of loans granted to Companies, firms, or any other parties which are overdue for more than ninety days.
- (e) According to the information, explanation and representation provided to us and based on verification carried out by us, during the year, there were no loans or advance in the nature of loan granted to companies or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to the information, explanation and representation provided to us and based on verification carried out by us, there are no loans outstanding as on 31 March 2023 which are repayable on demand. Accordingly, reporting under para 3(iii)(f) is not applicable.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans (refer Note 26 to the financial statements), investments, guarantees and security, as applicable. Further, the Company has not entered into any transaction covered under section 185.
- (v) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has not accepted deposits or deemed deposits to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules framed there under, are applicable. Accordingly, reporting under para 3(v) is not applicable.
- (vi) To the best of our knowledge and as explained to us, the Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products / services. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, income-tax, sales-tax, service tax, , duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though Income Tax Payable for the A.Y. 2020-21 have not been deposited with the appropriate authorities and there have been significant delay. Undisputed amounts payables in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

Statement of arrears of statutory dues outstanding for more than six months:

Name of the statute	Nature of the dues	Amount (₹ in thousand)	Period to which the amount relates	Due Date	Remarks, if any
The Income Tax Act, 1961	Income Tax	97,913.64	A.Y. 2020-21	Yet to be deposited	Yet to be deposited



- (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, Cess on account of any dispute, which have not been deposited.
- (viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961), that has not been recorded in the books of account.
- (ix) (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments), however call money has been received against partly paid shares. Accordingly, reporting on para 3(x)(a) is not applicable.
- (b) According to the information, explanation and representation provided to us and based on verification carried out by us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting on para 3(x)(b) is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.



- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanations given to us, and the procedures performed by us, there are no whistle-blower complaints received by the Company during the year.
- (xi) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under Clause 3(xii) of the Order is not applicable to the Company
- (xii) According to the information, explanation and representation provided to us and based on verification carried out by us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, wherever applicable, and the details have been disclosed in the financial statements as required by the applicable IND AS.
- (xiv) (a) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit is performed as per a planned program approved by the Board of Directors of the Company. We have considered the reports of the Internal Auditor for the year under audit, issued to the Company during the year.
- (xv) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of section 192 of the Act under clause 3(xv) of the order are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has incurred cash losses of Rs. 6,647.09 thousand in the current financial year 2022-23 but has not incurred any cash losses immediately preceding financial year.
- (xviii) During the year, the predecessor auditors resigned as statutory auditors of the Company. The predecessor statutory auditors have confirmed to us that they were not aware of reasons as to why we should not accept the statutory audit engagements of the Company.



(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) Since there are no other than ongoing projects, accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.

(b) According to the information, explanation and representation provided to us and based on verification carried out by us, in respect of ongoing projects, there are unspent amounts that are required to be transferred to a special account in compliance with provision of sub section (6) of Section 135 of the Act. This matter has been disclosed in Note no. 20 to the financial statements.

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



**Praveen Keshav**  
Partner  
Membership No. 535106  
UDIN: 23535106BGYUWI1863

Place: New Delhi  
Date: 25 May 2023



Company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Agarwal Prakash & Co.**

Chartered Accountants

Firm's Registration No.: 005975N



**Praveen Keshav**

Partner

Membership No. 535106

UDIN: 23535106BGYUWI1863

Place: New Delhi

Date: 25 May 2023

INLIABULLS LIFE INSURANCE COMPANY LIMITED

Balance Sheet as at	Note	All amount in ₹ thousands, unless otherwise stated	
		31 March 2023	31 March 2022
<b>I ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	6	-	-
(b) Financial assets		-	-
Investments	7	16,99,770.95	-
(c) Non-current tax assets	8	26.27	-
<b>Total Non-current assets</b>		<u>16,99,797.22</u>	<u>-</u>
<b>Current assets</b>			
(a) Financial assets			
Cash and cash equivalents	9	64.82	1,547.01
Loans	10	-	39,94,497.26
Other financial assets	11	-	-
(b) Other current assets	12	236.42	-
<b>Total Current assets</b>		<u>7,952.01</u>	<u>7,931.32</u>
<b>Total Assets</b>		<u>17,08,050.47</u>	<u>40,03,975.59</u>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	13	15,00,000.00	15,00,000.00
(b) Other equity	14	1,10,938.96	23,57,764.80
<b>Total Equity</b>		<u>16,10,938.96</u>	<u>38,57,764.80</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
(a) Financial liabilities			
Other financial liabilities	15	108.00	3,976.20
(b) Other current liabilities	16	39.38	16.57
(c) Current tax liabilities, net	17	96,964.13	1,42,218.02
<b>Total Current liabilities</b>		<u>97,111.51</u>	<u>1,46,210.79</u>
<b>Total of Equity and Liabilities</b>		<u>17,08,050.47</u>	<u>40,03,975.59</u>
Summary of significant accounting policies	5		

The accompanying notes form an integral part of the financial statements.

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

For Agarwal Prakash & Co.

Chartered Accountants


Firm's Registration Number: 005975N

Praveen Keshav  
Partner  
Membership No.535106





Place: New Delhi  
Date: 25 May 2023

For and on behalf of the Board of Directors

  
Vikas Sachdeva  
Whole-time Director  
DIN: 07346167

  
Sargam Kataria  
Director  
DIN: 07133394

  
Sunil Kanthuria Singh  
Company Secretary

  
Akhil Malhotra  
Chief Financial Officer

INDIABULLS LIFE INSURANCE COMPANY LIMITED

Statement of Profit and Loss for the

All amount in ₹ thousands, unless otherwise stated

	Note	Year ended	
		31 March 2023	31 March 2022
<b>Revenue</b>			
Other income			
<b>Total Revenue</b>	18	<u>1,52,647.65</u>	<u>2,99,199.26</u>
		<u>1,52,647.65</u>	<u>2,99,199.26</u>
<b>Expenses</b>			
Finance costs			
Depreciation	19	18,26,138.01	-
Other expenses	6	-	219.30
<b>Total Expenses</b>	20	<u>6,41,752.18</u>	<u>21,577.78</u>
		<u>24,67,890.19</u>	<u>21,797.08</u>
<b>(Loss)/ Profit before tax</b>		<b>(23,15,242.54)</b>	<b>2,77,402.18</b>
<b>Tax expense</b>			
Current tax (including earlier years)	21	(68,416.70)	93,881.16
Deferred tax (credit)/charge		-	5,511.16
<b>(Loss)/ Profit for the year after tax</b>		<u><b>(22,46,825.84)</b></u>	<u><b>1,78,009.86</b></u>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<u><b>(22,46,825.84)</b></u>	<u><b>1,78,009.86</b></u>
<b>Earnings per equity share</b>			
Basic (₹)	22	(14.98)	1.19
Diluted (₹)		(14.98)	1.19
<b>Summary of significant accounting policies</b>	5		

The accompanying notes form an integral part of the financial statements.

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

For Agarwal Prakash & Co.  
Chartered Accountants  
Firm Registration No.: 016827N

Praveen Keshav  
Partner  
Membership No.535106



Place: New Delhi  
Date: 25 May 2023

For and on behalf of the Board of Directors

Vikas Sachdeva  
Whole-time Director  
DIN: 07346167

Sargam Kataria  
Director  
DIN: 07133394

Sunil Kanthuria Singh  
Company Secretary

Akhil Malhotra  
Chief Financial Officer

INDIABULLS LIFE INSURANCE COMPANY LIMITED

Statement of Cash Flows for the

All amount in ₹ thousands, unless otherwise stated

	Year ended	
	31 March 2023	31 March 2022
<b>A. Cash flow from operating activities:</b>		
(Loss)/ Profit before tax for the year		
Adjustments to reconcile net (loss)/ profit to net cash provided by/(used in) operating activities:	(23,15,242.54)	2,77,402.18
Interest income		
Profit on sale of financial instruments, net	(1,52,317.96)	(2,98,459.47)
Excess Provision written back	-	(739.79)
Interest expenses	(67.01)	-
Loss on sale of investments	18,26,138.01	-
Interest income on non-convertible debentures	-	6,204.64
Depreciation expense	(262.68)	-
Balances written-off	-	219.30
Loss on write off of fixed assets	6,34,842.40	10,885.20
<b>Operating loss before working capital changes</b>	<b>-</b>	<b>86.52</b>
<b>Working capital changes and other adjustments:</b>	<b>(6,909.78)</b>	<b>(4,401.42)</b>
Other current assets		
Other financial liabilities	(20.70)	(61.94)
Other current liabilities	(3,801.19)	3,872.31
<b>Cash used in operating activities</b>	<b>22.81</b>	<b>10.40</b>
Income tax paid, net	(10,708.86)	(580.65)
<b>Net cash used in operating activities</b>	<b>(5,761.33)</b>	<b>(28,924.14)</b>
	<b>(16,470.19)</b>	<b>(29,504.79)</b>
<b>B. Cash flow from investing activities:</b>		
Redemption of/(Investments in) non convertible debentures/bonds, net	-	8,65,000.00
Redemption/(investment) in mutual funds, net	-	739.79
Inter-corporate deposits received back/ (given), net	14,988.00	(8,89,470.00)
Interest received	-	48,931.13
<b>Net cash generated from investing activities</b>	<b>14,988.00</b>	<b>25,200.92</b>
<b>C. Cash flow from financing activities:</b>		
<b>Net cash generated from financing activities</b>	<b>-</b>	<b>-</b>
<b>D. Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(1,482.19)</b>	<b>(4,303.87)</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>1,547.01</b>	<b>5,850.88</b>
<b>F. Cash and cash equivalents at the end of the year (D+E) (Refer Note 9)</b>	<b>64.82</b>	<b>1,547.01</b>

Note: The above Statement of cash flows has been prepared under the "Indirect method" as set out in Indian Accounting Standard (IND AS -7) Statement of Cash Flows.

The accompanying notes form an integral part of the financial statements.

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

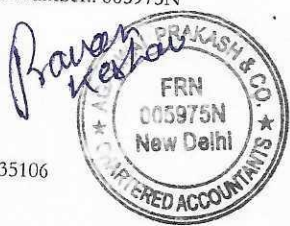
For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number.: 005975N

Praveen Keshav  
Partner

Membership No.535106



Place: New Delhi  
Date: 25 May 2023

For and on behalf of the Board of Directors

Vikas Sachdeva  
Whole-time Director  
DIN: 07346167

Sunil Kanthuria Singh  
Company Secretary

Sargam Kataria  
Director  
DIN: 07133394

Akhil Malhotra  
Chief Financial Officer

INDIABULLS LIFE INSURANCE COMPANY LIMITED

Statement of Changes in Equity for the year ended 31 March 2023

All amount in ₹ thousands, unless otherwise stated

A Equity share capital\*

Particulars	Opening balance as at 01 April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01 April 2022	Changes in equity share capital during the current year	Balance as at 31 March 2023
Equity share capital	15,00,000.00	-	15,00,000.00	-	15,00,000.00

Particulars	Opening balance as at 01 April 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01 April 2021	Changes in equity share capital during the current year	Balance as at 31 March 2022
Equity share capital	15,00,000.00	-	15,00,000.00	-	15,00,000.00

B Other equity\*\*

(i) Current reporting year

Description	Reserves and Surplus		Other comprehensive income	Total
	Retained earnings	Securities premium		
Balance as at 01 April 2022	7,62,264.80	15,95,500.00	-	23,57,764.80
Changes in accounting policy/prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting year	7,62,264.80	15,95,500.00	-	23,57,764.80
Loss for the year	(22,46,825.84)	-	-	(22,46,825.84)
Balance as at 31 March 2023	(14,84,561.04)	15,95,500.00	-	1,10,938.96

(ii) Previous reporting year

Description	Reserves and Surplus		Other comprehensive income	Total
	Retained earnings	Securities premium		
Balance as at 01 April 2021	5,84,254.94	15,95,500.00	-	21,79,754.94
Changes in accounting policy/prior period errors	-	-	-	-
Restated balance at the beginning of the previous reporting year	5,84,254.94	15,95,500.00	-	21,79,754.94
Profit for the year	1,78,009.86	-	-	1,78,009.86
Balance as at 31 March 2022	7,62,264.80	15,95,500.00	-	23,57,764.80

\* Also refer Note - 13

\*\* Also refer Note - 14

The accompanying notes form an integral part of the financial statements.

This is the Statement of Changes in Equity referred to in our report of even date.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number: 005975N

Praveen Keshav

Partner

Membership No.535106



For and on behalf of the board of directors

Vikas Sachdeva  
Whole-time Director  
DIN: 07346167

Sargam Katara  
Director  
DIN: 07133394

Place: New Delhi

Date: 25 May 2023

Sunil Kanthuria Singh  
Company Secretary

Akhil Malhotra  
Chief Financial Officer

## INDIABULLS LIFE INSURANCE COMPANY LIMITED

Summary of significant accounting policies and other explanatory information for the year ended  
31 March 2023

### 1. Nature of principal activities

Indiabulls Life Insurance Company Limited (“the Company”) was incorporated on 03 December 2007 with the main objects of carrying on the business of life insurance as permitted under the Insurance Act, 1938 and by The Insurance Regulatory and Development Authority of India (IRDAI). Pending receipt of all applicable statutory and regulatory approvals, the Company is yet to commence its life insurance business. Accordingly, the financial statements have not been prepared in accordance with the statutory requirements prescribed under The Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002. The Company is domiciled in India and its registered office is situated at 1/1E, First Floor, East Patel Nagar, New Delhi – 110008.

### 2. General information and statement of compliance with Ind AS

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs (“MCA”)), as amended and other related provisions of the Act.

The Company has uniformly applied the accounting policies during the periods presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements for the year ended 31 March 2023 were authorized and approved for issue by the Board of Directors on 25 May 2023. The revision to financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of Companies Act, 2013.

### 3. Recent accounting pronouncement

The Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

#### Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

#### Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

#### Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

### 4. Basis of preparation

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Certain financial assets and financial liabilities are measured at fair value and are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

### 5. Summary of significant accounting policies

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



## INDIABULLS LIFE INSURANCE COMPANY LIMITED

Summary of significant accounting policies and other explanatory information for the year ended  
31 March 2023

### 5.1 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Companies Act 2013. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

### 5.2 Revenue recognition

Revenue is recognised when control is transferred and is accounted net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of the revenue transaction as set out below:

#### *Revenue from contracts with customers*

The Company is primarily engaged in providing web services. Revenue from contracts with customers is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services and excluding taxes or duties collected on behalf of the government.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 5.17

The specific recognition criteria described below must also be met before revenue is recognised

#### *Rendering of services*

Revenue from web services is recognised based on output method i.e. pro-rata over the period of the contract as and when the company satisfies performance obligations by transferring the promised services to its customers. Revenues from lead based services is recognised based on output method i.e. as and when leads are consumed by the customer or on the expiry of contract whichever is earlier. Activation revenue is amortised over the estimated customer relationship period.

Advertising revenue is derived from displaying web based banner ads and sale of online advertisements. Revenue from banner advertisement is recognised pro rata over the period of display of advertisement as per contract. Revenue from sale of online advertisements is recognised based on output method and the Company applies the practical expedient to recognise advertising revenue in the amount to which the Company has a right to invoice.

#### *Contract balances*

#### **Trade receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section m) Financial instruments.

#### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised. The company recognises contract liability for consideration received in respect of unsatisfied performance obligations and reports these amounts as deferred revenue and advances from customers in the balance sheet. The unaccrued amounts are not recognised as revenue till all related performance obligations are fulfilled. The company generally receives transaction price in advance for contracts with customers that run up for more than one year. The transaction price received in advance does not have any significant financing component as the difference between the promised consideration and the cash selling price of the service arises for reasons other than the provision of finance.

#### *Interest income*

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Interest on delayed receipts, cancellation/forfeiture income and transfer fees from customers are recognized on accrual basis except in cases where ultimate collection is considered doubtful.



**INDIABULLS LIFE INSURANCE COMPANY LIMITED**  
Summary of significant accounting policies and other explanatory information for the year ended  
31 March 2023

*Dividend income*

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

*Income from sale of Investment*

Profit on sale of investment is recognised on the date of its sale and is computed as excess of sale proceeds over its carrying amount as at the date of sale.

**5.3 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

**5.4 Property, plant and equipment (PPE)**

*Recognition and initial measurement*

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

*Subsequent measurement (depreciation and useful lives)*

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013.

Asset class	Useful life
Office equipment	5 years
Computers	3 – 6 years
Vehicles	8 years

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year.

*De-recognition*

An item of property, plant and equipment initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in statement of profit and loss when the asset is derecognised.

**5.5 Intangible assets**

*Recognition and initial measurement*

Intangible assets (softwares) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

*Subsequent measurement (amortisation)*

The cost of capitalized software is amortized over a period four years from the date of its acquisition.

**5.6 Foreign currency**

*Functional and presentation currency*

The financial statements are presented in Indian Rupee ('INR' or '₹') which is also the functional and presentation currency of the Company.



# INDIABULLS LIFE INSURANCE COMPANY LIMITED

Summary of significant accounting policies and other explanatory information for the year ended  
31 March 2023

## *Transactions and balances*

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

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

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

## 5.7 Impairment of non-financial assets

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

## 5.8 Financial instruments

### Financial assets

#### *Recognition and initial measurement*

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

#### *Subsequent measurement*

i. **Debt instruments at amortised cost** – A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. **Equity instruments** - All equity investments in scope of ‘Ind AS 109 Financial Instruments’ (‘Ind AS 109’) are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).

iii. **Mutual funds** – All mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

#### *De-recognition of financial assets*

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

### Financial liabilities

#### *Recognition and initial measurement – amortised cost*

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

#### *Subsequent measurement – Amortised cost*

Subsequent to initial measurement, all financial liabilities are measured at amortised cost using the effective interest method.



# INDIABULLS LIFE INSURANCE COMPANY LIMITED

Summary of significant accounting policies and other explanatory information for the year ended  
31 March 2023

## *Recognition and initial and subsequent measurement – fair value*

A financial liability is classified as fair value through profit and loss ('FVTPL') if it is designated as such upon initial recognition. Financial liabilities at FVTPL are measured (initial and subsequent) at fair value and net gains/losses, including any interest expense are recognised in statement of profit and loss.

## *De-recognition of financial liabilities*

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

## **Compound financial instrument**

Optionally convertible debentures are separated into liability and equity components based on the terms of the contract. On issuance of the said instrument, the liability component is arrived by discounting the gross sum at a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost until it is extinguished on conversion or redemption. The remainder of the proceeds is recognised as equity component of compound financial instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured. Such instruments are classified as current financial liability if the conversion option vests with the holder.

## **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **5.9 Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Company factors historical trends and forward looking information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

### *Trade receivables*

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

### *Other financial assets*

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

## **5.10 Inventories**

Land other than that transferred to real estate projects under development is valued at lower of cost or net realizable value. Real estate properties (developed and under development) includes cost of land under development, internal and external development costs, construction costs, and development/construction materials, borrowing costs and related overhead costs and is valued at lower of cost or net realizable value.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale.

## **5.11 Income taxes**

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

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. Current income tax relating to items recognised outside statement of profit and loss is recognised in the statement in which the relevant item is recognised.



## INDIABULLS LIFE INSURANCE COMPANY LIMITED

Summary of significant accounting policies and other explanatory information for the year ended  
31 March 2023

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax losses are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity).

### 5.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### 5.13 Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

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

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

### 5.14 Earnings per share

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

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

### 5.15 Employee benefits

#### *Defined contribution plan*

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

#### *Defined benefit plan*

The Company has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognized in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gain/losses resulting from re-measurements of the liability are included in other comprehensive income.

#### *Other long term employee benefits*

The Company also provides benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than



## INDIABULLS LIFE INSURANCE COMPANY LIMITED

Summary of significant accounting policies and other explanatory information for the year ended  
31 March 2023

one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

### *Short-term employee benefits*

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

### **5.16 Share based payments**

Share based compensation benefits are provided to employees via Employee Stock Option Plans (ESOPs). The employee benefit expense is measured using the fair value of the employee stock options and is recognized over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees will be allotted equity shares of the Company.

### **5.17 Significant management judgement in applying accounting policies and estimation uncertainty**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

### *Significant management judgements*

**Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

**Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Recoverability of advances/receivables** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

**Provisions** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However the actual future outcome may be different from this judgement.

### *Significant estimates*

**Revenue and inventories** – Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which further require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available contractual and historical information. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

**Useful lives of depreciable/amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

**Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.



**INDIABULLS LIFE INSURANCE COMPANY LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

All amount in ₹ thousands, unless otherwise stated

**6 Property, plant and equipment**

	Computers	Office equipments	Total
<b>Gross carrying amount</b>			
Balance as at 01 April 2021			
Additions	667.72	25.85	693.57
Disposals/assets written off	-	-	-
<b>Balance as at 31 March 2022</b>	667.72	25.85	693.57
Additions	-	-	-
Disposals/assets written off	-	-	-
<b>Balance as at 31 March 2023</b>	-	-	-
<b>Accumulated depreciation</b>			
Balance as at 01 April 2021			
Charge for the year	380.03	7.73	387.75
Adjustments for disposals	214.13	5.17	219.30
<b>Balance as at 31 March 2022</b>	594.15	12.90	607.05
Charge for the year	-	-	-
Adjustments for disposals	-	-	-
<b>Balance as at 31 March 2023</b>	-	-	-
<b>Net carrying value as at 31 March 2022</b>			
<b>Net carrying value as at 31 March 2023</b>			

- (i) There is no restriction on title of the property, plant and equipment. None of the property, plant and equipment has been pledged as security.
- (ii) There are no contractual commitments for the acquisition of property, plant and equipment.



INDIABULLS LIFE INSURANCE COMPANY LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

All amount in ₹ thousands, unless otherwise stated

	31 March 2023	31 March 2022
<b>Note - 7</b>		
<b>Investments - non-current</b>		
<b>At fair value through profit and loss</b>		
(i) <b>Investment in non convertible debentures (unquoted)</b>		
Yaari Digital Integrated Services Limited	16,99,770.95	-
[31 March 2023: 34,00,000 ; 31 March 2022: Nil units		
(Face value: ₹ 1000 per unit; 31 March 2022: NA)]		
Aggregate book value of unquoted investments	<u>16,99,770.95</u>	<u>-</u>
	16,99,770.95	-
<b>Note - 8</b>		
<b>Non-current tax assets</b>		
Advance income tax, including tax deducted at source	26.27	-
	<u>26.27</u>	<u>-</u>
<b>Note - 9</b>		
<b>Cash and cash equivalents</b>		
Cash in hand	-	-
Balances with banks	-	-
In current accounts	64.82	1,547.01
	<u>64.82</u>	<u>1,547.01</u>
<b>Note - 10</b>		
<b>Loans</b>		
Inter-corporate deposits to related parties (Refer note-26)	-	37,34,180.00
Interest accrued but not due	-	2,60,317.26
	<u>-</u>	<u>39,94,497.26</u>
<b>Note - 11</b>		
<b>Other financial assets</b>		
Interest accrued on non-convertible debentures	236.42	-
	<u>236.42</u>	<u>-</u>
<b>Note - 12</b>		
<b>Other current assets</b>		
Advance to suppliers	-	-
Balances with statutory authorities	7,952.01	7,931.32
	<u>7,952.01</u>	<u>7,931.32</u>
<b>Note - 13</b>		
<b>Equity share capital</b>		
<b>i Authorised</b>	31 March 2023	31 March 2022
Equity share capital of face value of ₹ 10 each	Number (₹ in thousand)	Number (₹ in thousand)
	16,00,00,000	16,00,00,000
	<u>16,00,00,000</u>	<u>16,00,00,000</u>
<b>ii Issued, subscribed and fully paid up</b>	31 March 2023	31 March 2022
Equity share capital of face value of ₹ 10 each fully paid up	Number (₹ in thousand)	Number (₹ in thousand)
	15,00,00,000	15,00,00,000
	<u>15,00,00,000</u>	<u>15,00,00,000</u>



INDIABULLS LIFE INSURANCE COMPANY LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

All amount in ₹ thousands, unless otherwise stated

iii Reconciliation of number and amount of equity shares outstanding at the beginning and at the end of the year	31 March 2023		31 March 2022	
	31 March 2023		31 March 2022	
	Number	(₹ in thousand)	Number	(₹ in thousand)
Equity shares				
Balance at the beginning of the year	15,00,00,000	15,00,000.00	15,00,00,000	15,00,000.00
Add: Issued during the year	-	-	-	-
Balance at the end of the year	15,00,00,000	15,00,000.00	15,00,00,000	15,00,000.00

During the year ended 31 March, 2019, pursuant to the approval of the shareholders at their extraordinary general meeting held on 18 January 2019 and in accordance with the provisions of Section 13, Section 61(1)(a) of the Companies Act, 2013 and the Rules made thereunder and other applicable provisions if any (including any statutory modifications or re-enactment thereof, for the time being in force) and in accordance with the enabling provisions of the Memorandum and Articles of Association and subject to the applicable provisions of any other law, the authorised share capital of the Company was increased from ₹11,00,000.00 thousands divided into 11,00,00,000 equity shares of ₹10 each to ₹16,00,000.00 thousands divided into 16,00,00,000 equity shares of ₹10 each.

During the year ended 31 March, 2019, pursuant to the approval of Board of Directors at their meeting held on 24 January 2019 and in accordance with the provisions of section 62(1)(a) and section 39 and all other applicable provisions of the Companies Act, 2013, read with applicable Rules, framed thereunder, 40,00,000 equity shares of face value of ₹10 each were allotted at a premium of ₹40 each, for consideration received in cash, to "Yaari Digital Integrated Services Limited" (formerly known as "Yaarii Digital Integrated Services Limited" & "Indabulls Integrated Services Limited").

iv Rights, preferences and restrictions attached to equity shares

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In the event of liquidation of the Company, the remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Company's residual assets.

v Details of shareholder holding more than 5% share capital

Name of the equity shareholder	Number of shares	Number of shares
Yaari Digital Integrated Services Limited (formerly known as "Yaarii Digital Integrated Services Limited" & "Indabulls Integrated Services Limited") (including nominee shares)	15,00,00,000	15,00,00,000

vi The Company has not issued any shares for consideration other than cash during the immediately preceding five years. The Company has not bought back any shares during immediately preceding five years. The Company does not have any shares reserved for issue under options.

vii Disclosure of Shareholding of Promoters

Promoter name	Shares held by promoters				% Change during the year
	31 March 2023		31 March 2022		
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Yaari Digital Integrated Services Limited (formerly known as "Yaarii Digital Integrated Services Limited" & "Indabulls Integrated Services Limited") (including nominee shares)	15,00,00,000	100.00%	15,00,00,000	100.00%	-
Total	15,00,00,000	100.00%	15,00,00,000	100.00%	-

Promoter name	Shares held by promoters				% Change during the year
	31 March 2022		31 March 2021		
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Yaari Digital Integrated Services Limited (formerly known as "Yaarii Digital Integrated Services Limited" & "Indabulls Integrated Services Limited") (including nominee shares)	15,00,00,000	100.00%	15,00,00,000	100.00%	-
Total	15,00,00,000	100.00%	15,00,00,000	100.00%	-



INDIABULLS LIFE INSURANCE COMPANY LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

All amount in ₹ thousands, unless otherwise stated

	31 March 2023	31 March 2022
<b>Note - 14</b>		
<b>Other equity</b>		
<b>Nature and purpose of other reserves</b>		
<b>Securities Premium</b>		
Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of Companies Act, 2013.		
<b>Note - 15</b>		
<b>Other financial liabilities - current</b>		
Expenses payable	108.00	196.62
Bank overdraft	-	3,779.58
	<u>108.00</u>	<u>3,976.20</u>
<b>Note - 16</b>		
<b>Other current liabilities</b>		
Payable to statutory authorities	39.38	16.57
	<u>39.38</u>	<u>16.57</u>
<b>Note - 17</b>		
<b>Current tax liabilities, net</b>		
Provision for income tax	96,964.13	1,42,218.02
	<u>96,964.13</u>	<u>1,42,218.02</u>
<b>Note - 18</b>		
<b>Other income</b>		
Interest income	1,52,317.96	2,98,459.47
Profit on sale of financial instruments, net	-	739.79
Excess Provisions written back	67.01	-
Interest income on non-convertible debentures	262.68	-
	<u>1,52,647.65</u>	<u>2,99,199.26</u>
<b>Note - 19</b>		
<b>Finance costs</b>		
Interest expenses	18,26,138.01	-
	<u>18,26,138.01</u>	<u>-</u>
<b>Note - 20</b>		
<b>Other expenses</b>		
Auditor's remuneration - as statutory auditor	81.20	60.00
Bank charges	0.59	-
Corporate social responsibility expenses*	6,310.00	3,830.00
Director sitting fee**	65.00	250.00
Legal and professional charges	93.12	229.00
Loss on sale of investments	-	6,204.64
Miscellaneous expenses	-	10,885.20
Rates and taxes	356.33	27.11
Balances written-off	6,34,842.40	86.52
Subscription fees	3.54	5.31
	<u>6,41,752.18</u>	<u>21,577.78</u>



INDIABULLS LIFE INSURANCE COMPANY LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

All amount in ₹ thousands, unless otherwise stated

Particulars	31 March 2023		31 March 2022
	For the year ended March 31, 2023	For the year ended March 31, 2022	
Gross amount required to be spent by the company during the year	6,310.00	3,830.00	
Amount of expenditure incurred	6,310.00	3,830.00	
Shortfall at the end of the year	-	-	
Nature of CSR activities	Health Care Program	Education Program, Health Care Program, Nutrition and Relief to Poor & Underprivileged	

\*\*Paid to Independent Directors

Details of payment to auditors

Payment to auditor

Statutory Audit fee

81.20	60.00
<u>81.20</u>	<u>60.00</u>

Note - 21

Income tax

Tax expense comprises of:

Current tax (including earlier years)

Deferred tax charge/(credit)

(68,416.70) 93,881.16

Income tax expense reported in the statement of profit and loss

(68,416.70) 5,511.16

99,392.32

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Accounting profit before income tax

(23,15,242.54) 2,77,402.18

At India's statutory income tax rate

25.168% 25.168%

Computed expected tax expense

(5,82,700.24) 69,816.58

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Tax impact of expense which will never be allowed

- 5,286.88

Tax impact of temporary differences

- 30.78

Tax impact on income chargeable at different rate of tax

- 1,383.72

Earlier year's tax expense

(68,416.70) 17,363.20

Deferred tax effect of temporary differences

- 5,511.16

Others

Income tax expense

5,82,700.24 -

Note - 22

(68,416.70) 99,392.32

Earnings per Share (EPS)

Earnings per Share ("EPS") is determined based on the net profit attributable to the shareholders' of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

The following reflects the income and share data used in the basic and diluted EPS computations:

Profit/(Loss) attributable to equity holders for basic earnings	(22,46,825.84)	1,78,009.86
Profit/(Loss) attributable to equity holders adjusted for the effect of dilution	(22,46,825.84)	1,78,009.86
Weighted average number of equity shares for basic earning per share	15,00,00,000	15,00,00,000
Weighted average number of equity shares for diluted earning per share	15,00,00,000	15,00,00,000
<b>Earnings per equity share of face value of ₹ 10 each</b>		
(1) Basic (₹)	(14.98)	1.19
(2) Diluted (₹)	(14.98)	1.19



**INDIABULLS LIFE INSURANCE COMPANY LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

All amount in ₹ thousands, unless otherwise stated

**Note - 23**

**Fair value measurement**

**(i) Fair value hierarchy**

As per Ind AS 107, 'Financial Instruments: Disclosures', the fair values of the financial assets or financial liabilities are defined as the price that would be received on sale of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three Levels of a fair value hierarchy. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** unquoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** unobservable inputs for the asset or liability.

**(ii) Financial assets measured at fair value**

31 March 2023	Level 1	Level 2	Level 3	Total
<b>Financials assets</b>				
Financial instruments at FVTPL				
Investments in:				
Non convertible debentures	16,99,770.95	-	-	16,99,770.95
Other financial assets	236.42	-	-	236.42
<b>Total financial assets</b>	<b>17,00,007.37</b>	-	-	<b>17,00,007.37</b>

31 March 2022	Level 1	Level 2	Level 3	Total
<b>Financials assets</b>				
Financial instruments at FVTPL				
Non convertible debentures	-	-	-	-
Other financial assets	-	-	-	-
<b>Total financial assets</b>	-	-	-	-

**(iii) Valuation process and technique used to determine fair value**

Specific valuation techniques used to value financial instruments include -

- (i) Use of net asset value for mutual funds on the basis of the statement received from investee party.
- (ii) Traded (market) price basis recognised stock exchange for quoted instruments.

**Note - 24**

**Financial risk management**

**i) Financial instruments by category**

For amortized cost instruments, carrying value represents the best estimate of fair value.

	31 March 2023			31 March 2022		
	FVTPL*	FVOCI	Amortized cost	FVTPL*	FVOCI	Amortized cost
<b>Financial assets</b>						
Investments						
Non convertible debentures	16,99,770.95	-	-	-	-	-
Cash and cash equivalents	-	-	64.82	-	-	-
Loans	-	-	-	-	-	1,547.01
Other financial assets	236.42	-	-	-	-	39,94,497.26
<b>Total financial assets</b>	<b>17,00,007.37</b>	-	<b>64.82</b>	-	-	<b>39,96,044.27</b>

	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortized cost	FVTPL	FVOCI	Amortized cost
<b>Financial liabilities</b>						
Other financial liabilities	-	-	108.00	-	-	3,976.20
<b>Total financial liabilities</b>	-	-	<b>108.00</b>	-	-	<b>3,976.20</b>

\* These financial assets are mandatorily measured at fair value.

**(ii) Financial instruments measured at amortised costs**

Financial instruments measured at amortised costs for which the carrying value is the fair value.

**(iii) Risk Management**

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

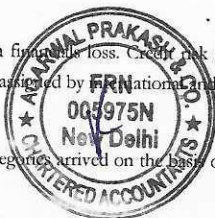
**(A) Credit risk**

Credit risk refers to the risk default on its obligation by the counterparty resulting in a financial loss. Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit rating assigned by FRN national and domestic credit rating agencies.

**(a) Credit risk management**

**(i) Credit risk rating**

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.



INDIABULLS LIFE INSURANCE COMPANY LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

All amount in ₹ thousands, unless otherwise stated

- A: Low credit risk  
B: Moderate credit risk  
C: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
A: Low credit risk	Cash and cash equivalents, loans, investments and other financial assets	12 month expected credit loss/Life time expected credit loss

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Assets under credit risk –

Credit rating	31 March 2023	31 March 2022
<b>A: Low credit risk</b>		
<b>Non-Current</b>		
Investments	16,99,770.95	-
<b>Current</b>		
Cash and cash equivalents	64.82	1,547.01
Loans	-	39,94,497.26
Other financial assets	236.42	-
<b>B: Moderate credit risk</b>	-	-
<b>C: High credit risk</b>	-	-

Cash and Cash Equivalents

The credit worthiness of such banks and financial institutions with whom cash and cash equivalents are held is evaluated by the management on an ongoing basis and is considered to be high.

Other financial assets

Other financial assets measured at amortized cost includes interest accrued on investments. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

Loans measured at amortized cost include inter-corporate deposits to the Holding Company and security deposits for business purposes. Credit risk related to these financial assets is managed by monitoring the recoverability of such amounts continuously.

(b) Credit risk exposure

The Company provides for 12 month expected credit losses for following financial assets –

As at 31 March 2023

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investments	16,99,770.95	-	16,99,770.95
Other financial assets	236.42	-	236.42
Cash and cash equivalents	64.82	-	64.82
Loans	-	-	-

As at 31 March 2022

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investments	-	-	-
Other financial assets	-	-	-
Cash and cash equivalents	1,547.01	-	1,547.01
Loans	39,94,497.26	-	39,94,497.26

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.



**INDIABULLS LIFE INSURANCE COMPANY LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

All amount in ₹ thousands, unless otherwise stated

**(i) Maturities of financial assets and liabilities**

The tables below analyse the Company financial assets and liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Non-derivatives</b>					
Investments	16,99,770.95	-	-	-	16,99,770.95
Cash and cash equivalents	64.82	-	-	-	64.82
Loans	-	-	-	-	-
Other financial assets	236.42	-	-	-	236.42
<b>Total financial assets</b>	<b>17,00,072.19</b>	-	-	-	<b>17,00,072.19</b>
<b>Non-derivatives</b>					
Other financial liabilities	108.00	-	-	-	108.00
<b>Total financial liabilities</b>	<b>108.00</b>	-	-	-	<b>108.00</b>

31 March 2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Non-derivatives</b>					
Investments	-	-	-	-	-
Cash and cash equivalents	1,547.01	-	-	-	1,547.01
Loans	39,94,497.26	-	-	-	39,94,497.26
Other financial assets	-	-	-	-	-
<b>Total financial assets</b>	<b>39,96,044.27</b>	-	-	-	<b>39,96,044.27</b>
<b>Non-derivatives</b>					
Other financial liabilities	3,976.20	-	-	-	3,976.20
<b>Total financial liabilities</b>	<b>3,976.20</b>	-	-	-	<b>3,976.20</b>

**(C) Market risk**

**Foreign exchange risk**

The Company has not entered into any foreign currency transactions and is not exposed to foreign exchange risk arising from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. The Company did not have any foreign currency receivables and payables as at 31 March 2023 and 31 March 2022.

**Interest rate risk**

Interest rate risk is the risk where the Company is exposed to the risk that fair value or future cash flows of its financial instruments will fluctuate as a result of change in market interest rates. Investment in Bonds/Non-convertible debentures held by the Company are at fixed rate of coupon and accordingly the Company does not perceive any interest rate risk.

**Price risk**

The Company's exposure price risk arises from investments held and classified in the balance sheet either at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

**Note - 25**

**Ratio Analysis**

The following are analytical ratios for the year ended 31 March 2023 and 31 March 2022.

Particulars	Numerator	Denominator	31 March 2023	31 March 2022	Variance
Current Ratio#	Current Assets	Current Liabilities	0.08	27.38	-99.69%

# The variance is due to movement in short-term loans

Return on Equity (ROE), Debt equity ratio, Net Capital Turnover Ratio, Net profit ratio, Return of Capital Employed (ROCE), Trade Payables turnover ratio, Trade Receivables turnover ratio, Debt Service Coverage Ratio and inventory turnover ratio are not calculated since these are either negative or not applicable.



INDIABULLS LIFE INSURANCE COMPANY LIMITED  
Notes to the financial statements for the year ended 31 March 2023

Note – 26

Related party transactions

(a) Names of related parties identified in accordance with IND AS -24 "Related Party Disclosures" (with whom there were transactions during the year):

The Company's principal related parties consist of its holding company, Yaari Digital Integrated Services Limited and its fellow subsidiary Company and key managerial personnel. The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business.

Relationship	Name of related parties
where control exists Holding Company	Yaari Digital Integrated Services Limited (formerly known as Yaarii Digital Integrated Services Limited & Indiabulls Integrated Services Limited)

(b) Summary of transactions with related parties

Particulars	(₹ in thousands)	
	31 March 2023	31 March 2022
<b>Loans and advances (given), received back, net*</b>		
Yaari Digital Integrated Services Limited	14,988.00	(8,89,470.00)
<b>Interest Income on Loans and Advances*</b>		
Yaari Digital Integrated Services Limited	26,408.99	2,89,241.41
<b>Investment in Non-convertible debentures</b>		
Yaari Digital Integrated Services Limited	34,00,000.00	-
<b>Interest Income on non-convertible debentures</b>		
Yaari Digital Integrated Services Limited	262.68	-
<b>Reimbursement of expenses</b>		
Yaari Digital Integrated Services Limited	-	7.90

\*On 31 March 2023, the outstanding balances of loan given to the Holding Company for ₹ 3,19,192.00 thousands and cumulative interest receivable on the loan for ₹ 26,408.99 thousands have been written-off.

(c) Statement of balances outstanding:

Nature of transactions	(₹ in thousands)	
	31 March 2023	31 March 2022
<b>Loans and advances given</b>		
Yaari Digital Integrated Services Limited	-	37,34,180.00
<b>Investment in Non-convertible debentures</b>		
Yaari Digital Integrated Services Limited	34,00,000.00	-
<b>Accrued Interest on non-convertible debentures</b>		
Yaari Digital Integrated Services Limited	236.42	-
<b>Accrued Interest on loans and advances given</b>		
Yaari Digital Integrated Services Limited	-	2,60,317.26



**INDIABULLS LIFE INSURANCE COMPANY LIMITED**  
Notes to the financial statements for the year ended 31 March 2023

**Note – 27**

**Capital management**

The Company's objectives when managing capital are:

- To ensure Company's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the current liquidity and long term capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company manages its capital requirements by reviewing its net debt position, where net debt is equal to non-current borrowing (including current maturities of non-current borrowings) and short-term borrowing net of cash and cash equivalent (including FDR and other liquid securities).

**Note – 28**

**Contingent liabilities and commitments**

There are no contingent liabilities to be reported 31 March 2023 and 31 March 2022.

**Note – 29**

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

S. no.	Particulars	31 March 2023	31 March 2022
i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil	Nil
ii)	the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

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

**Note – 30**

**Segment Reporting**

Considering the nature of the Company's business and operations and based on the information available with the management, there are no reportable segments (business and/or geographical) as per Ind AS 108 on 'Segment Reporting'. Hence, no further disclosures are required in respect of reportable segments, other than those already provided in the financial statements.

**Note – 31**

i) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;



**INDIABULLS LIFE INSURANCE COMPANY LIMITED**  
Notes to the financial statements for the year ended 31 March 2023

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security, or the like to or on behalf of the Ultimate Beneficiaries.

ii) The Company has not advanced or loaned or invested any funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediaries shall;

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security, or the like to or on behalf of the Ultimate Beneficiaries.

**Note – 32**

There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) during the year ended 31 March 2023 and 31 March 2022.

**Note – 33**

The Company has not taken any borrowings from banks or financial institutions on the basis of security of current assets during the year ended 31 March 2023 and 31 March 2022.

**Note – 34**

The Company has not been declared a wilful defaulter by any bank or financial Institution or other lender during the year ended 31 March 2023 and 31 March 2022.

**Note – 35**

The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2023 and 31 March 2022.

**Note – 36**

There are no charges or satisfaction of charges yet to be registered with Registrar of Companies by the Company during the reporting periods.

**Note – 37**

The Company did not enter into any transactions which are not recorded in the books of accounts and has been surrendered or disclosed as income during the reporting periods in the tax assessments under the Income Tax Act, 1961.

**Note – 38**

The Company has not traded or invested in crypto currency or virtual currency during the financial year ended 31 March 2023 and 31 March 2022.

**Note – 39**

The Company has not entered into any derivative instrument during the year. The Company does not have any foreign currency exposures towards receivables, payables or any other derivative instrument that have not been hedged (31 March 2023: Nil, 31 March 2022: Nil).



**INDIABULLS LIFE INSURANCE COMPANY LIMITED**  
Notes to the financial statements for the year ended 31 March 2023

**Note – 40**

In respect of amounts as mentioned under Section 124 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2023 (31 March 2022: Nil).

**Note – 41**

In the opinion of the Board of Directors, all current assets appearing in the balance sheet as at 31 March 2023 have a value on realization, in the ordinary course of the Company's business, at least equal to the amount at which they are stated in the financial statements. In the opinion of the board of directors, no provision is required to be made against the recoverability of these balances.

**Note – 42**

There are no borrowing costs required to be capitalised as at 31 March 2023 (31 March 2022: Nil).

**Note – 43**

Figures for the previous year have been regrouped/ re-arranged wherever considered necessary to confirm to the figures presented in the current year.

**For Agarwal Prakash & Co.**  
Chartered Accountants  
Firm's Registration Number.: 005975N

**Praveen Keshav**  
Partner  
Membership No. 535106



**For and on behalf of the Board**

**Vikas Sachdeva**  
Whole Time Director  
DIN: 07346167

**Sargam Kataria**  
Director  
DIN: 07133394

**Sunil Kanthuria Singh**  
Company Secretary

**Akhil Malhotra**  
Chief Financial Office

Place: New Delhi  
Date: 25 May 2023