

Dear Shareholders,

Your Directors have pleasure in presenting the Thirteenth Annual Report together with audited financial statement of Indiabulls Integrated Services Limited ("the Company") for the financial year ended March 31, 2020.

The financial year 2019-20 saw the COVID-19 pandemic further add to the economic headwinds that the Indian economy has been facing. The pandemic is expected to substantially impact domestic and global growth, and worsen geopolitical uncertainties.

## FINANCIAL HIGHLIGHTS

The highlights of the standalone financial results of the Company for the financial year ended March 31, 2020 are as under:

(Amount in ₹ crores)

Particulars	For the financial year ended March 31, 2020	For the financial Year ended March 31, 2019
Profit / (Loss) before depreciation and tax	(17.97)	30.15
Less: Depreciation and amortization expense	1.06	0.41
Profit / (Loss) before tax	(19.03)	29.74
Less: Provision for Tax	3.42	7.91
Profit / (Loss) after tax	(22.44)	21.83
Profit / (Loss) brought forward	77.13	61.91
Amount available for appropriation	54.69	83.74
Less: Appropriations:		
Proposed dividend on preference shares	0	0
Corporate dividend tax thereon	0	0
Interim dividend on equity shares	0	5.48
Corporate dividend tax thereon	0	1.13
Transfer to general reserve	0	0
Balance carried forward to Balance Sheet	54.69	77.13

The Board has not proposed to transfer any amount to any reserve(s).

## BUSINESS OVERVIEW

As the Company is venturing into new business streams of Life and General Insurance, through its subsidiaries and is engaged with the relevant regulatory authorities for obtaining necessary approvals to pursue Life Insurance and General Insurance businesses, alongwith the existing Consumer Platform and other related financial services activities etc. Further your directors are pleased to inform that Company's wholly owned subsidiaries Indiabulls Life Insurance Company Limited (IBLIC) and Indiabulls General Insurance Limited (IBGIL) have received regulatory R1 acceptance from Insurance Regulatory and Development Authority of India (IRDAI) for their proposed life insurance business and general insurance business, respectively. After satisfying all prerequisite steps/conditions, as specified by IRDAI including adequate capitalization of IBLIC and IBGIL, they had applied for necessary registration (R2) with IRDAI to undertake life insurance and general insurance business in India. The applications for R2 for such proposed life insurance and general insurance business are currently under the consideration of IRDAI and probably might have been delayed due to Covid-19 conditions. The Company is in the process of putting in place the necessary systems to undertake life insurance and general insurance businesses in India, upon receipt of all requisite approvals/registrations.

The Company primarily, directly and through its subsidiaries, is also engaged in the businesses of digital platform, providing management and maintenance services, equipment hiring services, financial services with the primary focus on financing in rural markets, and other related services and businesses.

To streamline the operations and ownership structure of the Company, in a manner leading to maximization of stakeholders' value and diversification of shareholders' portfolio by providing them direct ownership in each business segments, and to have a focused approach towards upcoming insurance business (comprising of life insurance, general insurance and/or other related businesses), the Board of Directors of the Company had approved the composite Scheme of Arrangement amongst the Company, its direct and indirect subsidiaries (viz SORIL Infra Resources Limited, Albasta Wholesale Services Limited, Sentia Properties Limited, Lucina Infrastructure Limited, Ashva Stud and Agricultural Farms Limited, Mahabala Infracon Private Limited, Store One Infra Resources Limited, Indiabulls Enterprises Limited and Indiabulls Pharmicare Limited) and Indiabulls Pharmaceuticals Limited and their respective shareholders and creditors ("Scheme"). Pursuant to the Scheme, the shareholders of the Company will get shares of Indiabulls Enterprises Limited, free of any cost, in lieu of their shareholding in the Company. The shares of Indiabulls Enterprises Limited will get listed on NSE and BSE and with this, post effectiveness of the Scheme, they will have shares of two listed entities –

- (1) the Company, the equity shares of which are listed and will remain listed on NSE and BSE, focusing on life and general insurance and related businesses, and

## Board's Report (contd.)

(2) Indiabulls Enterprises Limited, equity shares of which will be listed on NSE and BSE, focusing on non-insurance businesses of the Company and its subsidiaries (including proposed pharma business and rural finance business).

Your directors are pleased to inform that, during FY 2019-20, the Company had received NOCs (observation letters) from the National Stock Exchange of India Limited and BSE Limited, and have filed the Scheme and Company Application, under Section 230 to 232 of the Companies Act, 2013 and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, before jurisdictional bench of NCLT.

### **CHANGE OF THE NAME OF THE COMPANY FROM 'INDIABULLS INTEGRATED SERVICES LIMITED' TO 'YAARII DIGITAL INTEGRATED SERVICES LIMITED'**

With a view to enable the Company to create its unique digital identity through its digital platform "Yaarii", of which the Company has proprietary rights, and to charter right direction for its continuous focus around promoting digital financial and other solutions and given that Yaarii app, as a digital distribution platform finds resonance as on date with lacs of customers across a range of financial products and to leverage on its brand identity to grow to next frontier, the Board of Directors of the Company, at their meeting held on October 16, 2020, have approved, subject to Company's shareholders approval at ensuing AGM and other regulatory approvals, the change of the name of the Company from 'Indiabulls Integrated Services Limited' to 'Yaarii Digital Integrated Services Limited', so as to bring the name of the Company in sync with its registered trademark "Yaarii" and Yaarii Digital App.

Yaarii app is a fintech marketplace for a bouquet of various financial products including personal loans, life and general insurance, mutual funds etc and currently is in the business of promoting various available financing options for retail customers. Yaarii is a mobile first business available for access anywhere anytime through its Android & iOS Application. Ever since its inception, Yaarii has managed to help retail customers with their personal requirements of various financial products. Yaarii provides its customers a unique in-house proprietary model of credit decisioning, instant knowledge of their borrowing ability & the lenders accordingly interact for credit worthy borrowers for processing disbursements. In a short span, Yaarii has achieved a customer base of over 50 lac customers, who have downloaded Yaarii app & used the platform to get access to the financial products. Yaarii has facilitated digital journey of over 50 lac customers, till date, for their financial needs and over 1 lac customers interact on the Yaarii platform every month. Bajaj Finserv, Dhani, Lendingkart, Cashkumar, Loantap, EarlySalary are amongst the few who are already live on the platform. HDFC Bank, RBL Bank, Tata Capital, Axis Bank, Fullerton, Faircent, NeoGrowth have already been on board on the Yaarii platform and are expected to go live in Q4 of 2020-21. Yaarii is further looking to aggregate marketplace model to other financial products in the investment domain also with a focus on building robotic investment advisory services, and distribution of digital gold, mutual fund, national pension schemes, life and general insurance.

Considering Yaarii existing & future digital customer base and huge potential in digital business, going forward the Company intends to pursue its substantial existing and future businesses, including proposed insurance business, digitally under the brand Yaarii, through its Yaarii app, without any physical branches. Yaarii will use its reach to millions customers to sell, service & cater the insurance products of Company's subsidiaries, as and when these products become available. This will be done through intuitive product UI with smart product recommendations & hassle free claims process.

Therefore in order to bring the name of the Company in sync with its registered trademark "Yaarii" and Yaarii Digital App, the Board has approved and recommended the proposed change of name of the Company to 'Yaarii Digital Integrated Services Limited'. The availability of the proposed name 'Yaarii Digital Integrated Services Limited' has been confirmed by the concerned Office of Registrar of Companies, Ministry of Corporate Affairs, Government of India. The proposed new name would better reflect the underlying business proposition of the Company. The proposed name will also allow Company's operations to have a unique recognition and for its customers to make a distinction when seeking the products offered / to be offered by the Company and its subsidiaries through Yaarii.

### **DIVIDEND**

In order to utilize the accumulated profits for future business requirements of the Company, your directors do not recommend any dividend. No unclaimed dividend or shares pertaining to such unclaimed dividend were transferred to Investor Education and Protection Fund (IEPF) during FY 2019-20. Those members who have not so far claimed their dividend for any financial year(s) are advised to claim it from the Company or KFin Technologies Private Limited (Formerly 'Karvy Fintech Private Limited').

In compliance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "SEBI LODR"), the Dividend Distribution Policy of the Company is available on the website of the Company, at web-link: [https://www.indiabullsinintegratedservices.com/pdf/Dividend\\_Distribution\\_Policy.pdf](https://www.indiabullsinintegratedservices.com/pdf/Dividend_Distribution_Policy.pdf)

### **DIRECTORS & KEY MANAGERIAL PERSONNEL**

In accordance with Section 152 of the Companies Act, 2013 and rules framed thereunder, and in terms of the Articles of Association of the Company, Mr. Manvinder Singh Walia (DIN: 07988213), Executive Director, is liable to retire by rotation, and being eligible, has offered himself for re-appointment at the ensuing Annual General Meeting. The Board of Directors recommended his re-appointment.

All the present Independent Directors of the Company have given declaration that they meet the Criteria of Independence laid down under Section 149(6) of the Companies Act, 2013.

The matter relating to re-appointment of aforementioned director has been included in the Notice convening the 13th Annual General Meeting of the Company. The brief resume of the Director proposed to be reappointed, nature of his expertise in specific functional areas and name of the Companies in which they hold directorships and memberships/chairmanships of Board Committees and other requisite information, is provided in the Notice convening the 13th Annual General Meeting of the Company.

### **SHARE CAPITAL/ STOCK OPTIONS**

The paid up equity share capital of the Company as on March 31, 2020, was ₹ 17,86,51,138 comprising of 8,93,25,569 equity shares of face value of ₹ 2/- each. An aggregate of 55,66,600 stock options, granted under Company's ESOP Schemes were in force as on March 31, 2020,

which shall be exercisable as per the vesting schedule of respective ESOP Schemes. Presently, stock options granted to the employees operate under the schemes, namely; 'Indiabulls Integrated Services Limited Employee Stock Option Scheme - 2011' and 'ESOP Scheme - 2018' (hereinafter individually and/or collectively referred to as the Scheme(s)).

Further pursuant to and in terms of shareholders' authorization dated February 5, 2020, the Company in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred to as "SBEB Regulations"), has set up an employees welfare trust titled "Indiabulls Integrated Services Limited- Employees Welfare Trust" (the "Trust") to efficiently manage the Scheme(s) and to acquire, purchase, hold and deal in fully paid-up equity shares of the Company from the secondary market, for the purpose of administration and implementation of the Scheme, as may be permissible under the SBEB Regulations. Since shares issued, on account of exercise of options, granted/to be granted under the Scheme, will be out of those purchased by the Trust from the secondary market, there will be no dilution in shareholding.

The disclosures required to be made under Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014 and the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, in respect of Schemes of the Company, have been placed on the website of the Company [www.indiabullsinintegratedservices.com](http://www.indiabullsinintegratedservices.com).

### **PUBLIC DEPOSITS**

During the year under review, the Company has not accepted any deposits from the public, falling within the ambit of Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, therefore, the disclosures required in terms of Rule 8 of the Companies (Accounts) Rules, 2014, are not required to be given.

### **LISTING WITH STOCK EXCHANGES**

The Equity Shares (ISIN: INE126M01010) of the Company, continue to remain listed at BSE Limited and National Stock Exchange of India Limited. The listing fees payable to both the exchanges for the financial year 2020-21 have been paid.

### **AUDITORS**

#### **(a) Statutory Auditors**

M/s Agarwal Prakash & Co. (Firm Registration No. 005975N), the Statutory Auditors of the Company were re-appointed by the members at their Twelfth Annual General Meeting, held on September 30, 2019, for a period of five years i.e. until the conclusion of the Seventeenth Annual General Meeting of the Company. The Ministry of Corporate Affairs (MCA) vide its notification no. S.O. 1833(E) dated May 7, 2018 has done away with the requirement of getting the appointment of the Statutory Auditors ratified at every Annual General Meeting and therefore no such ratification is being sought at ensuing Annual General Meeting of the Company.

The Auditors' Report forming part of this Annual Report is self-explanatory and therefore do not call for any further explanation. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer. No frauds have been reported by the Auditors of the Company in terms of the provisions of Section 143(12) of the Companies Act, 2013 and Rules framed thereunder.

#### **(b) Secretarial Auditor & Secretarial Audit Report**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the rules made thereunder, the Company had appointed M/s Neha S & Associates, a firm of Company Secretaries in practice as its Secretarial Auditors, to conduct the secretarial audit of the Company for the Financial Year 2019-20. The Company has provided all assistance, facilities, documents, records and clarifications etc to the Secretarial Auditors for conducting their audit. The Secretarial Audit Report, along with Secretarial Compliance Report, as prescribed by SEBI, for the Financial Year 2019-20, are annexed as Annexure 1(i) and Annexure 1(ii) respectively, and forms part of this Report. The Reports are self – explanatory and therefore do not call for any further explanation. The Secretarial Audit Report of the unlisted material subsidiary is annexed as Annexure 2. The Secretarial Audit Report of the Company and said subsidiary does not contain any qualification, reservation or adverse remark or disclaimer.

### **CORPORATE SOCIAL RESPONSIBILITY**

As part of its initiatives under "Corporate Social Responsibility (CSR)", the Company has undertaken projects as per its CSR Policy (available on Company's website at web-link: <https://www.indiabullsinintegratedservices.com/pdf/CSR%20Policy.pdf> and the details are contained in the Annual Report on CSR Activities given in Annexure 3, forming part of this Report. These projects are in accordance with Schedule VII of the Companies Act, 2013, read with the relevant rules.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to Regulation 34 of the SEBI LODR, Management Discussion and Analysis Report, for the year under review, is presented in a separate section forming part of this Annual Report.

### **CORPORATE GOVERNANCE REPORT**

Pursuant to Regulation 34 of SEBI LODR, a separate section on Corporate Governance Practices followed by the Company, together with a certificate from a Practising Company Secretary confirming compliance, is presented in a separate section forming part of this Annual Report.

### **BUSINESS RESPONSIBILITY REPORT**

Pursuant to Regulation 34 of the SEBI LODR, a Business Responsibility Report (BRR) is presented in a separate section forming part of this Annual Report.

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### DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) that in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (b) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company, as at March 31, 2020 and the profit and loss of the Company for the year ended on that date;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual financial statements have been prepared on a going concern basis;
- (e) that proper internal financial controls are in place and that such financial controls are adequate and are operating effectively; and
- (f) that systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

### EXTRACT OF ANNUAL RETURN

In terms of Sections 92(3) and 134(3) of the Companies Act, 2013 and rules framed thereunder, Extract of the Annual Return for the Financial Year ended 31st March, 2020 is annexed as Annexure 4, forming part of this Report and is also available at website of the Company, at web-link: [https://www.indiabullsintegratedservices.com/pdf/Extract%20of%20Annual%20Return\\_2020.pdf](https://www.indiabullsintegratedservices.com/pdf/Extract%20of%20Annual%20Return_2020.pdf)

### BOARD MEETINGS

During the FY 2019-20, 4 (Four) Board Meetings were convened and held. The details of such meetings are given in Corporate Governance Report forming part of this Annual Report. The intervening gap between these meetings was within the period prescribed under the Companies Act, 2013. The notice and agenda including all material information and minimum information required to be made available to the Board under Regulation 17 read with Schedule II Part A of the SEBI LODR were circulated to all directors, well within the prescribed time, before the meeting or placed at the meeting with the consent of majority of Directors (including one Independent Director). During the year, separate meeting of the Independent Directors was held on February 14, 2020, without the presence of Non-Independent Directors and the members of the Company Management.

### PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEE AND DIRECTORS

The Nomination & Remuneration Committee (NRC) of the Board reassessed the framework, methodology and criteria for evaluating the performance of the Board as a whole, including Board committee(s), as well as performance of each director(s) and confirms that the existing evaluation parameters are in compliance with the requirements as per SEBI guidance note dated January 5, 2017 on Board evaluation. The existing parameters includes effectiveness of the Board and its committees, decision making process, Directors'/ members' participation, governance, independence, quality and content of agenda papers, team work, frequency of meetings, discussions at meetings, corporate culture, contribution and management of conflict of interest. Basis these parameters, the NRC had reviewed at length the performance of each director individually and expressed satisfaction on the process of evaluation and the performance of each Director. The performance evaluation of the Board as a whole and its committees, namely, Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, as well as the performance of each director individually was carried out by the entire Board of Directors. The performance evaluation of the Non-Independent Directors and the Board of Directors, as a whole was carried out by the Independent Directors in their meeting held on February 14, 2020. The Directors expressed their satisfaction with the evaluation process.

Also the Executive Director of the Company, on a periodic basis, has had one-to-one discussion with the directors for their views on the functioning of the Board and the Company, including discussions on level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders and implementation of the suggestions offered by Directors either individually or collectively during different board/ committee meetings.

### REMUNERATION POLICY

The Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration on the recommendation of Nomination and Remuneration Committee. The Remuneration Policy is briefly stated in the Corporate Governance Report forming part of this Annual Report and is also available at the website of the Company, at web-link: [https://www.indiabullsintegratedservices.com/pdf/Remuneration%20Policy\\_IBULISL.pdf](https://www.indiabullsintegratedservices.com/pdf/Remuneration%20Policy_IBULISL.pdf)

### LOANS, GUARANTEES OR INVESTMENTS

During the FY 2019-20, in terms of the provisions of Section 186(1) of the Companies Act, 2013, the Company did not make any investments through more than two layers of investment companies. The Company's investment/loans/guarantees during FY 2019-20 were in compliance with the provisions of Section 186 of the Companies Act, 2013, particulars of which are captured in financial statements of the Company, forming part of this Annual Report.

### RELATED PARTY TRANSACTIONS

During the year, no materially significant related party transaction was entered by the Company with its Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large. Details of all related party transactions are disclosed in the financial statement of the Company forming part of this Annual Report. None of the transactions

with related parties is material transaction and/or transaction which is not at Arm's length, requiring disclosure pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014. Therefore the information required in prescribed form AOC - 2 is not applicable. The Policy on materiality of Related Party Transactions and also on dealing with such transactions is available on the website of the Company, at web-link: <https://www.indiabullsinintegratedservices.com/pdf/Policy%20for%20Dealing%20with%20Related%20Party%20Transactions.pdf>

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

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

#### **MATERIAL CHANGES AND COMMITMENTS**

Except as disclosed in this report, there are no material changes and commitments, affecting the financial position of the Company, which has occurred between the end of the Financial Year of the Company i.e. March 31, 2020 and the date of this Report.

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

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

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

##### **A. Conservation of Energy**

The Company operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve energy.

As an ongoing process, the followings are (i) the steps taken or impact on conservation of energy; (ii) the steps taken by the company for utilising alternate sources of energy; and (iii) the capital investment on energy conservation equipment:

The Company has been able to reduce energy consumption by using star rated appliances where possible and also through the replacement of CFL lights with LED lights. The Company continues to explore collaboration with contractors/partners that ensure conservation of energy and resources. Some of the steps undertaken for the conservation of energy are (a) using energy saving LED light fixtures, (b) conservation of energy at all of its offices by replacing lighting system with LEDs, installation of star energy conservation air conditioning systems, installation of automatic power controllers to save maximum demand charges and energy, installation of TFT monitors that saves power, and periodic Training sessions for employees on ways to conserve energy in their individual roles. The Company continuously aims to reduce the impact on environment by optimizing the usage of various resources. The Company will explore solar energy, as alternate source of energy, to meet the energy demands, wherever possible.

##### **B. Technology Absorption**

The Company has implemented / shall implement best of the class applications to manage and automate its business processes to achieve higher efficiency, data integrity and data security. It has helped it in implementing best business practices and shorter time to market new schemes, products and customer services. The Company's investment in technology has improved customer services, reduced operational costs and development of new business opportunities.

###### **I. The efforts made towards technology absorption:**

The Company is investing in cutting edge technologies to upgrade its infrastructure set up and innovative technical solutions, thereby increasing customer delight & employee efficiency. Next Generation Business Intelligence & analytics tool have been implemented to ensure that while data continues to grow, decision makers gets answers faster than ever for timely & critical level decision making. The Company has taken major initiatives for improved employee experience, by implementing innovative solutions and empowering them by providing mobile platform to manage their work while on the go. Deployment of machines to substitute manual work partly or fully, using LED lighting in our office buildings, using timers for external lighting and basement lighting for switching lights on/off as per peak and non-peak hours are some steps towards optimizing the usage of various resources by adopting technology. The Company promotes the use of electronic means of communication with its shareholders by sending electronic communication for confirmation of payments and other similar purposes. The Company also encourages the use of electronic mode of communications to and from all its stakeholders. Soft copies of the annual report(s) along with the notice convening the Annual General Meeting(s) were sent to its shareholders so as to minimize the usage of paper.

###### **II. The benefits derived like product improvement, cost reduction, product development or import substitution:**

The Company's investment in technology has improved customer services, reduced operational cost and development of new business opportunities. Also, there is cost reduction in the administration and business operations expense through utilisation of scheduling and planning, efficient practices, etc. Some of the initiatives are: In-depth planning, organising/scheduling/ structuring the work in tandem with job descriptions to ensure efficiency, engaging specialised contractors/ consultants to complete

## Board's Report (contd.)

tasks efficiently, introducing rules and regulations based on national and international standards and internal classifications, monitoring performance at projects and administrative offices.

### III. Information regarding imported technology (imported during last 3 years) and Expenditure incurred on Research & Development:

Not Applicable, since the Company has not imported any technology or incurred expenses of Research & Development, during such period.

### C. Foreign Exchange Earnings and Outgo

There was no earning and outgo in foreign exchange during the year under review and the previous year.

### BUSINESS RISK MANAGEMENT

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

Based on the Market Capitalisation as on March 31, 2019, the Company, being amongst the Top 500 listed entities, had constituted a Risk Management Committee in compliance with Regulation 21 of the SEBI LODR, details of which are disclosed in the Corporate Governance Report forming part of this Annual Report.

### PARTICULARS OF EMPLOYEES

Pursuant to the applicable provisions of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures on Managerial Remuneration are provided in Annexure 5, forming part of this Report. In terms of the provisions of Section 136(1) of the Companies Act, 2013, read with the said rules, the Board's Report is being sent to all the shareholders of the Company excluding the annexure on the names and other particulars of employees, required in accordance with Rule 5(2) of said rules, which is available for inspection by the members, subject to their specific written request, in advance, to the Company Secretary. The inspection is to be carried out at the Company's Registered Office during business hours on working days of the Company up to date of ensuing Annual General Meeting.

### FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

Independent Directors are familiarized with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through presentations about the Company's strategy, business model, product and service offerings, customers' & shareholders' profile, financial details, human resources, technology, facilities, internal controls and risk management, their roles, rights and responsibilities in the Company. The Board is also periodically briefed on the various changes, if any, in the regulations governing the conduct of Independent Directors. The details of the familiarization programs have been hosted on the website of the Company, at web-link: <https://www.indiabullsintegratedservices.com/pdf/Details%20of%20familiarization%20programmes%20imparted%20to%20independent%20directors.pdf>

### SUBSIDIARY COMPANIES

Pursuant to Section 129 of the Companies Act, 2013, the Company has prepared its Consolidated Financial Statements along with all its subsidiaries, in the same form and manner, as that of the Company, which shall be laid before its ensuing Thirteenth Annual General Meeting along with its Standalone Financial Statements. The Consolidated Financial Statements of the Company along with its subsidiaries, for the year ended March 31, 2020, form part of this Annual Report.

For the performance and financial position of each of the subsidiaries of the Company, along with other related information required pursuant to Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014, the Members are requested to refer to the Financial Statements of the Company. Further pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are also available on the website of the Company. Shareholders may write to the Company for the annual financial statements and detailed information on subsidiary companies. Further, the documents shall also be available for inspection by the shareholders at the registered office of the Company.

### NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES OR ASSOCIATE COMPANIES

During the FY 2019-20, none of the companies became or ceased to be the subsidiaries or associate of the Company.

### COMMITTEES OF THE BOARD

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

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

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

Apart from the above, the Board has also constituted Compensation Committee for administration of stock option scheme(s), Management Committee for operational matters, Issuance Committee for considering issuance of securities and Reorganization Committee for on-going Scheme and reorganization plans.

### SECRETARIAL STANDARDS

The Board of Directors state that the Company has complied with the applicable Secretarial Standards (SS-1 and SS-2) respectively relating to Meetings of the Board, its Committees and the General Meetings as issued by the Institute of Company Secretaries of India.

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

The Company has zero tolerance towards harassment at the workplace and has complied with the provisions and constituted an Internal Complaints Committee and also adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the financial year 2019-20, no case of sexual harassment was reported.

### UTILIZATION OF PROCEEDS OF PREFERENTIAL ISSUE

The funds raised by the Company through Preferential issue(s) of equity shares in previous years were fully utilized by the Company, as per stated objects of the issues, during the FY 2019-20.

### APPLICABILITY OF MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

### VIGIL MECHANISM

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company has implemented the Whistle Blower Policy ("the Policy"), to provide an avenue for employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. The Policy applies to all employees working for the Company and its subsidiaries. Pursuant to the Policy, the whistle blowers can raise concerns relating to matters such as breach of Company's Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, misappropriation of Company's funds/assets etc. A whistle-blowing or reporting mechanism, asset out in the Policy, invites all employees to act responsibly to up hold the reputation of the Company and its subsidiaries. The Policy aims to ensure that serious concerns are properly raised and addressed and are recognized as an enabling factor in administering good governance practices. The details of the Whistle Blower Policy are available on the website of the Company: [www.indiabullsinTEGRATEDSERVICES.COM](http://www.indiabullsinTEGRATEDSERVICES.COM). The Audit committee set by the Board, constitutes a vital component of the whistle blower mechanism and instances of financial misconduct, if any, are reported to the Audit committee. No employee is denied access to the Audit Committee.

### GREEN INITIATIVES

In terms of General Circular No. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 22/2020 dated 15th June, 2020, issued by Ministry of Corporate Affairs, and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, issued by SEBI ("Circulars"), Electronic copies of the Annual Report 2019-20 and Notice of the 13th AGM are being sent to all the members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses are requested to follow procedure specified in the AGM Notice, to receive soft copies of the Annual Report 2019-20 and Notice of the 13th AGM through e-mail.

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice of the 13th AGM. This is pursuant to section 108 of the Companies Act, 2013, read with applicable Rules and in accordance with the SEBI LODR Regulations. The instructions for e-voting are provided in the AGM Notice. Additionally, Insta-poll facility will also be provided to Members at AGM by KFinTech, to enable casting of vote by such members who have not utilized e-voting mechanism.

### ACKNOWLEDGEMENT

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

**For and on behalf of the Board of Directors**

Date: October 16, 2020  
Place : Gurugram

**Manvinder Singh Walia**  
Executive Director  
DIN: 07988213

**Ajit Kumar Mittal**  
Director  
DIN: 02698115