
INDEPENDENT AUDITOR'S REPORT

To the Members of Indiabulls Industrial Infrastructure Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Indiabulls Industrial Infrastructure 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 profit 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.



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

Balance Sheet as at	Note	All amount in ₹ hundred, unless otherwise stated	
		31 March 2023	31 March 2022
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	6	6,45,564.06	8,18,682.72
(b) Investment property	7	59,28,523.13	60,02,656.49
(c) Financial Assets			
Other financial assets	8 A	156.10	156.10
(d) Non-current tax assets, net	9	1,543.20	1,24,542.65
(e) Other non-current assets	10 A	65,00,000.00	65,00,000.00
		<u>1,30,75,786.49</u>	<u>1,34,46,037.96</u>
Current assets			
(a) Financial assets			
Trade receivables	11	-	2.00
Cash and cash equivalents	12	641.73	5,662.27
Other bank balances	13	10,004.88	10,003.70
Loans	14	1,44,33,450.00	1,36,17,150.00
Other financial assets	8 B	1,86,350.16	1,85,358.50
(b) Other current assets	10 B	32,272.96	29,012.88
		<u>1,46,62,719.73</u>	<u>1,38,47,189.35</u>
Total of assets		<u>2,77,38,506.22</u>	<u>2,72,93,227.31</u>
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	73,02,731.00	73,02,731.00
(b) Other equity		33,36,007.74	26,21,265.77
		<u>1,06,38,738.74</u>	<u>99,23,996.77</u>
Liabilities			
Non-current liabilities			
(a) Provisions	16 A	22,258.55	44,971.69
(b) Other non-current liabilities	17 A	1,67,73,708.06	1,69,10,940.66
		<u>1,67,95,966.61</u>	<u>1,69,55,912.35</u>
Current liabilities			
(a) Financial liabilities			
Other financial liabilities	18	10,158.60	11,365.13
(b) Other current liabilities	17 B	1,38,786.87	1,39,962.27
(c) Provisions	16 B	405.19	843.27
(d) Current tax liabilities, net	19	1,54,450.21	2,61,147.52
		<u>3,03,800.87</u>	<u>4,13,318.19</u>
Total of equity and liabilities		<u>2,77,38,506.22</u>	<u>2,72,93,227.31</u>

Summary of significant accounting policies

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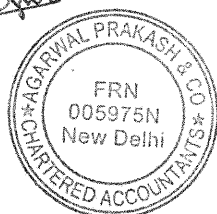
The accompanying notes are integral part of the financial statements


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


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

For and on behalf of the Board of Directors

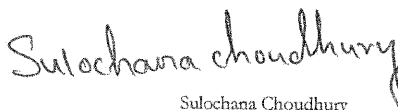

Aashish K Verma
Partner




Amit Shah Gopal
Whole Time Director
[DIN: 02110817]
Place: Mumbai


Shweta Prakash Pawar
Director
[DIN: 09670817]
Place: Mumbai

Place: Delhi
Date: 30 May 2023


Sulochana Choudhury
Company Secretary


Vinay Dave
Chief Financial Officer

INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

All amount in ₹ hundred, unless otherwise stated

Statement of profit and loss for the		Year ended 31 March	
	Note	2023	2022
Revenue			
Revenue from operations	20	1,37,225.88	1,51,149.57
Other income	21	12,79,319.89	12,24,349.35
Total of revenue		14,16,545.77	13,75,498.92
Expenses			
Employee benefits expense	22	92,947.50	1,15,325.38
Finance costs	23	15,497.33	30,234.31
Depreciation and amortisation expense	6 & 7	2,47,252.03	4,14,060.78
Other expenses	24	50,916.09	10,64,473.27
Total of expenses		4,06,612.95	16,24,093.74
Profit/ (loss) before tax		10,09,932.82	(2,48,594.82)
Tax expense	25		
Current tax		2,74,875.14	2,54,512.76
Earlier years tax adjustment		1,556.01	(986.23)
Profit/(loss) after tax		7,33,501.67	(5,02,121.35)
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement (loss)/gain on defined benefit plan		(18,759.70)	(4,624.53)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total other comprehensive income/(loss), net of tax		(18,759.70)	(4,624.53)
Total comprehensive income/(loss) for the year		7,14,741.97	(5,06,745.88)
Earnings per equity share			
Equity share of par value ₹10 each	26		
Basic (₹)		1.00	(0.69)
Diluted (₹)		1.00	(0.69)

The accompanying notes are integral part of the financial statements

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

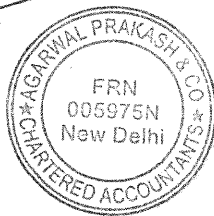
For Agarwal Prakash & Co.


Chartered Accountants


Firm's Registration Number : 005975N

For and on behalf of the Board of Directors


Aashish K Verma
Partner




Amit Shah Gopal
Whole Time Director
[DIN: 02110817]
Place: Mumbai


Shweta Prakash Pawar
Director
[DIN: 09670817]
Place: Mumbai

Place: Delhi
Date: 30 May 2023


Sulochana Choudhury
Company Secretary


Vinay Dave
Chief Financial Officer

INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED


All amount in ₹ hundred, unless otherwise stated

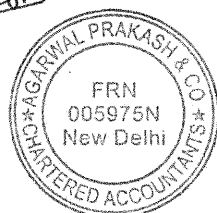
Statement of Cash Flows for the	Year ended 31 March	
	2023	2022
A. Cash flow from operating activities:		
Profit / (loss) before income tax for the year	10,09,932.82	(2,48,594.82)
Adjustments to reconcile net profit/(loss) to net cash provided by operating activities		
Depreciation expense	2,47,252.03	4,14,060.78
Interest expenses on taxation	15,481.85	30,234.31
(Reversal)/provision for gratuity and compensated absences	(1,910.92)	7,454.57
Provision for doubtful trade receivables	-	10,09,968.40
Interest on security deposits	-	(6,965.48)
Interest income on loans & advances given to related parties	(12,77,995.79)	(12,16,893.43)
Interest income on fixed deposit with banks	(501.32)	(490.08)
Operating loss before working capital changes and other adjustments	(7,741.33)	(11,225.75)
Change in operating assets and liabilities:		
- Decrease/(increase) in trade receivables	2.00	(19,688.10)
- (Increase)/decrease in other financial assets and other assets	(4,251.74)	1,041.50
- Decrease in other financial liabilities, other liabilities and provisions	(1,79,614.53)	(1,34,397.62)
Cash generated used in operating activities	(1,91,605.60)	(1,64,269.97)
Income tax paid, net	(2,75,610.87)	(3,12,172.98)
Net cash generated used in operating activities	(4,67,216.47)	(4,76,442.95)
B. Cash flow from investing activities:		
Purchase of property, plant and equipment and other intangible assets	-	(34,385.00)
Loans and advances to related parties (given)	(12,06,500.00)	(10,75,000.00)
Loans and advances to related parties received back	3,90,200.00	3,65,300.00
Interest received on loans & advances given to related parties	12,77,995.79	12,16,893.43
Interest received on fixed deposit with banks	500.14	490.11
Interest received on security deposits	-	6,965.48
Net cash generated from investing activities	4,62,195.93	4,80,264.02
C. Cash flow from financing activities: (Refer Note - 47) :		
Net cash generated from/(used in) financing activities	-	-
D. (Decrease)/increase in cash and cash equivalents, net [A+B+C]	(5,020.54)	3,821.07
E. Cash and cash equivalents at the beginning of the year	5,662.27	1,841.20
F. Cash and cash equivalents at the end of the year [D+E]	641.73	5,662.27
G. Reconciliation of cash and cash equivalents as per Statement of cash flows		
Cash and cash equivalents includes:		
Cash on hand	-	-
Balances with banks :		
- in current accounts	641.73	5,662.27
	641.73	5,662.27

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



Aashish Verma
Partner



Place: Delhi
Date: 30 May 2023

For and on behalf of the Board of Directors


Amit Shah Gopal
Whole Time Director
[DIN: 02110817]
Place: Mumbai


Shweta Prakash Pawar
Director
[DIN: 09670817]
Place: Mumbai


Sulochana Choudhury
Company Secretary


Vinay Dave
Chief Financial Officer

INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

All amount in ₹ hundred, unless otherwise stated

Statement of Changes in Equity as at 31 March 2023

(A) Equity share capital*

Particulars	Opening balance as at 01 April 2021	Issue of equity share capital during the year	Balance as at 31 March 2022	Issue of equity share capital during the period	Balance as at 31 March 2023
Equity share capital	73,02,731.00	-	73,02,731.00	-	73,02,731.00

(B) Other equity

Particulars	Equity element of shares to be issued against ESOP of parent company	Reserves and surplus		Other Comprehensive Income	Total
		Deferred employee compensation reserve	Retained earnings	Remeasurement of defined benefit plan	
Opening balance as at 01 April 2021	28,812.00	7,202.99	30,74,795.68	17,200.98	31,28,011.65
Loss for the year	-	-	(5,02,121.35)	-	(5,02,121.35)
Other comprehensive income	-	-	-	(4,624.53)	(4,624.53)
Balance as at 31 March 2022	28,812.00	7,202.99	25,72,674.33	12,576.45	26,21,265.77
Profit for the year	-	-	7,33,501.67	-	7,33,501.67
Other comprehensive income	-	-	-	(18,759.70)	(18,759.70)
Balance as at 31 March 2023	28,812.00	7,202.99	33,06,176.00	(6,183.25)	33,36,007.74

*Refer Note - 15 for details

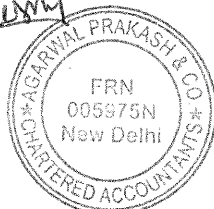
The accompanying notes are integral part of the financial statements

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

For and on behalf of the Board of Directors

Aashish K Verma
Partner



Amit Shah Gopal
Whole Time Director
[DIN: 02110817]
Place: Mumbai

Shweta Prakash Pawar
Director
[DIN: 09670817]
Place: Mumbai

Place: Delhi
Date: 30 May 2023

Sulochana Choudhury
Company Secretary

Vinay Dage
Chief Financial Officer

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.

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 has disclosed the impact of pending litigations on its financial position in its financial statements as at 31 March 2023— Refer Note 41 to the financial statements.
 - 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 matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company did not pay any remuneration to its Directors during the year.

For **Agarwal Prakash & Co.**

Chartered Accountants

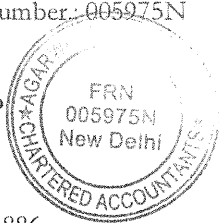
Firm's Registration Number : 005975N


Aashish K Verma

Partner

Membership No.: 527886

UDIN: 23527886BGYTBI9139



Place: Delhi

Date: 30 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) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The company has no intangible assets. Accordingly, clause 3(i)(a)(B) of the order is not applicable.
- (b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the property, plant and equipment is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company has no immovable properties. Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
- (e) According to the information, explanation and representation provided to us and based on verification carried out by us, no proceedings have been 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, 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) (a) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has provided loans to a Company. The details of the same are given below:

(Rs. in hundred)	
Particulars	Loans
Aggregate amount during the year	
-Holding Company	1,206,500.00
Balance outstanding as at balance sheet date	
-Holding Company	14,433,450.00



- (b) According to the information, explanation and representation provided to us and based on verification carried out by us, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in nature of loans and guarantees provided are not, prima facie, 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, in respect of loans granted, the schedule of repayment of principal has been stipulated wherein the principal amounts are repayable on demand and since the repayment of such loans has not been demanded, in our opinion, repayment of the principal amount is regular.
- (d) There is no overdue amount in respect of loans granted to such companies.
- (e) The Company has not granted any loans which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans.
- (f) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has granted loans which are repayable on demand, as per details below:

(Rs. in hundreds)

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans			
-Repayable on demand (A)	14,433,450.00	-	14,433,450.00
-Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	14,433,450.00	-	14,433,450.00
Percentage of loans			100%

- (iv) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.
- (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 clause 3(v) of the Order is not applicable to the Company.
- (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) Undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information, explanation and representation provided to us and based on verification carried out by us, there are no no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, Cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in hundred)	Period to which the amount relates	Forum where dispute is pending
Maharashtra Sales Tax, Act	Sales Tax	85,400.14	AY 2012-13	Maharashtra Sales Tax Tribunal
Income Tax Act, 1961	Income Tax	536.40	AY 2022-21	CIT(A)

- (viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions were 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 accounts.
- (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 its loans or borrowings or in the payment of interest thereon to any lender. The company does not have any borrowings from financial institutions or government.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us and on the basis of our audit procedures, 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) According to the information and explanations given to us, and the procedures performed by us, 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) According to the information and explanations given to us, and the procedures performed by us, the Company has not raised any 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) during the year. Accordingly, clause 3(x)(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 made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order 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) 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.
- (xii) The Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us, and the procedures performed by us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) 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 entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 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, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.



(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(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 not incurred any cash losses in the current financial year 2022-23 and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization 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) In respect of other than ongoing project, the Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. The matter has been disclosed in note no-24(ii) to the financial statements.

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

For **Agarwal Prakash & Co.**

Chartered Accountants

Firm's Registration Number.: 005975N


Aashish K Verma

Partner

Membership No.: 527886

UDIN: 23527886BGYTB19139



Place: Delhi

Date: 30 May 2023

Annexure B to the Independent Auditor's Report

With reference to the Annexure B 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 of even date.

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to financial statements of Indiabulls Industrial Infrastructure Limited ('the Company') as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.



Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A 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



Aashish K Verma

Partner

Membership No. 527886

UDIN: 23527886BGYTBI9139



Place: Delhi

Date: 30 May 2023

INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

1. Nature of principal activities

Indiabulls Industrial Infrastructure Limited ("the Company") was incorporated on 10 October 2006. The company has obtained formal approval from the Government of India to develop a Multi-Product Special Economic Zone and has entered into an agreement with Maharashtra Industrial Development Corporation (MIDC) to develop a Special Economic Zone, commercial cum residential facilities and other common social infrastructure as may be required to be developed. The company has obtained land on lease operating lease basis from Maharashtra Industrial Development Corporation (MIDC) for 95 years. The Company is domiciled in India and its registered office is situated at Office No. 202, 2nd Floor, A-18, Rama House, Middle Circle, Connaught Place, New Delhi- 110001

2. General information and statement of compliance with Ind AS

The 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 relevant 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 30 May 2023. The revision to the financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3. Recent accounting pronouncements:

Recent accounting pronouncements 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

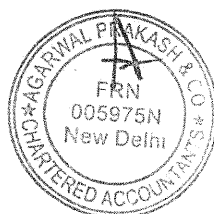
This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 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. Further, the financial statements have been prepared on historical cost basis except



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

for certain financial assets and financial liabilities and share based payments which are measure at fair values as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities 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.

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 Property, plant and equipment (PPE)

Recognition and initial measurement

Properties 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
Building	1 year -3 years
Plant and machinery	12 years
Office equipment	5 years
Computers	3 years-6 years
Furniture and fixtures	10 years
Vehicles	8 years

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

Leasehold Improvements

Leasehold improvements are finite useful life and, therefore, are capitalised separately and amortised over the remaining life of the lease or the estimated useful life of the improvements. Presently, the estimated useful life of the assets is less than the remaining useful life of the lease and is as below:

Asset class	Useful life
Boundary wall	5 years
Water pipeline	12 years
Road	10 years
Electrical Work	10 years



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

De-recognition

An item of property, plant and equipment initially recognised is derecognised 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.

5.3 Investment Property

Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially 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 Standalone Statement of Profit or Loss as incurred.

Subsequent measurement (depreciation and useful lives)

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful lives (as set-out below) prescribed in Schedule II to the Act:

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straightline basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

Asset class	Useful life
Leasehold Land –Operating Lease	95 years

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

De-recognition

Investment properties are de-recognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

5.4 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.

As part of its business activity, the Company sub-leases land on long-term basis to its customer on cancellable lease basis and classify the transactions as operating lease. The company recognises the income based on the principle of leases as set out in Ind AS 116 'Leases' and accordingly, in cases where the land sub-lease transactions are cancellable in the nature the income in the nature of upfront premium received/receivable is recognised on operating lease basis i.e. on straight line basis over the period of lease/sub-lease agreement takes effect over lease period and annual lease rentals are recognised on an accrual basis.

Sale of goods

Revenue from sale of goods/value added construction material is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods. The company collects all relevant applicable taxes etc. on behalf of the Statutory Authorities and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

Profit on sale of investment with underlying business

Profit on sale of investments of entities in the real estate business is recognised in the year in such investments are sold after adjusting the consideration received with carrying value of investment. The said profit is recognised as part of other operating income as in substance, such sale reflects the sale of real estate business.

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.

Interest income

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

Gain on amortised cost financial assets

Gain on de-recognition of amortised cost financial assets is recognised in the year when the entire payment is received against the outstanding balance of amortised cost financial assets.

5.5 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.

5.6 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 recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Statement of Profit and Loss.

5.7 Foreign currency

Functional and presentation currency

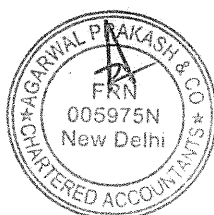
The financial statements are presented in Indian Rupee ('INR' or '₹') which is also the functional and presentation currency of the Company.

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.



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

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 investments** – 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

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

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

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.



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

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 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 profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference 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 or loss (either in other comprehensive income or in equity).

5.11 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.



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

5.12 Employee benefits

Defined contribution plan

The Company's contribution to provident fund is charged to the statement of profit and loss or inventorized as a part of real estate properties 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 recognised 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 gains/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 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.

5.13 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 recognised 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 of will be allotted equity shares of the Company.

Transition to Ind AS

On transition to Ind AS, the Company has elected to not consider the charge related to employee stock options for which the vesting period is already over.

5.14 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.



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

5.15 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.

5.16 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.

Classification of leases – The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The Company enters into leasing arrangements for some of its assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

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.

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.

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. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

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

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.



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

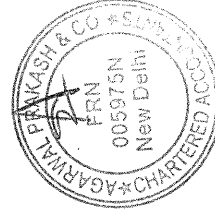
All amount in ₹ hundred, unless otherwise stated

Note - 6

Property, plant and equipment

Details of the Company's property, plant and equipment and reconciliation of their carrying amounts from beginning to end of reporting period is as follows:

	Leasehold Improvements	Building	Plant and machinery	Office equipment	Computers	Furniture and fixtures	Vehicles	Total
Gross carrying amount								
Opening balance as at 01 April 2021	34,25,230.21	36,448.76	14,650.58	20,592.76	12,774.77	11,832.92	17,753.88	35,39,283.88
Additions	-	-	-	-	-	-	-	-
Disposals/assets written off	-	-	-	-	-	-	-	-
Balance as of 31 March 2022	34,25,230.21	36,448.76	14,650.58	20,592.76	12,774.77	11,832.92	17,753.88	35,39,283.88
Additions	-	-	-	-	-	-	-	-
Disposals/assets written off	-	-	-	-	-	-	(16,639.58)	(16,639.58)
Balance as of 31 March 2023	34,25,230.21	36,448.76	14,650.58	20,592.76	12,774.77	11,832.92	1,114.30	35,22,644.30
Accumulated depreciation								
Opening balance as at 01 April 2021	22,69,196.58	36,448.76	12,393.85	20,310.39	12,774.77	11,716.24	17,410.04	23,80,250.62
Charge for the year	3,38,720.99	-	1,430.50	84.76	-	29.15	85.14	3,40,350.54
Adjustments for disposals	-	-	-	-	-	-	-	-
Balance as of 31 March 2022	26,07,917.57	36,448.76	13,824.35	20,395.15	12,774.77	11,745.39	17,495.18	27,20,601.16
Charge for the year	1,72,112.09	-	822.48	84.76	-	14.20	85.14	1,73,118.66
Adjustments for disposals	-	-	-	-	-	-	(16,639.58)	(16,639.58)
Balance as of 31 March 2023	27,80,029.66	36,448.76	14,646.82	20,479.91	12,774.77	11,759.59	940.74	28,77,080.24
Net carrying value as of 31 March 2022	8,17,312.64	-	826.23	197.61	-	87.53	258.70	8,18,682.72
Net carrying value as of 31 March 2023	6,45,200.55	-	3.76	112.85	-	73.33	173.56	6,45,564.06



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

All amount in ₹ hundred, unless otherwise stated

Note - 7

Investment Property

Details of the Company's investment property and reconciliation of their carrying amounts from beginning to end of reporting period is as follows:

	Investment Property	Total
Gross carrying amount		
Opening balance as at 01 April 2021	70,07,109.32	70,07,109.32
Additions	34,385.00	34,385.00
Disposals/assets written off	-	-
Balance as of 31 March 2022	70,41,494.32	70,41,494.32
Additions	-	-
Disposals/assets written off	-	-
Balance as of 31 March 2023	70,41,494.32	70,41,494.32
Accumulated depreciation		
Opening balance as at 01 April 2021	9,65,127.59	9,65,127.59
Charge for the year	73,710.24	73,710.24
Adjustments for disposals	-	-
Balance as of 31 March 2022	10,38,837.83	10,38,837.83
Charge for the year	74,133.36	74,133.36
Adjustments for disposals	-	-
Balance as of 31 March 2023	11,12,971.19	11,12,971.19
Net carrying value as of 31 March 2022	60,02,656.49	60,02,656.49
Net carrying value as of 31 March 2023	59,28,523.13	59,28,523.13



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
All amount in ₹ hundred, unless otherwise stated

	As at 31 March 2023	As at 31 March 2022
Note - 8		
A Other financial assets - non-current		
Security deposits	156.10	156.10
	156.10	156.10
B Other financial assets - current		
Advance to employees	991.66	-
Security deposits	1,85,358.50	1,85,358.50
	1,86,350.16	1,85,358.50
Note - 9		
Non-current tax assets, net		
Advance income tax, including tax deducted at source	1,543.20	1,24,542.65
	1,543.20	1,24,542.65
Note - 10		
A Other non-current assets		
Security deposits - premises	65,00,000.00	65,00,000.00
	65,00,000.00	65,00,000.00
B Other current assets		
Advance to staff	100.00	100.00
Advance to material or service providers	-	50.00
Balances with statutory authorities	32,172.96	28,862.88
	32,272.96	29,012.88
Note - 11		
Trade receivables - current		
Considered good - Unsecured	-	2.00
Considered doubtful-which have significant increase in Credit Risk	10,09,968.40	10,09,968.40
Credit Impaired	-	-
Less: provision for doubtful trade receivables	(10,09,968.40)	(10,09,968.40)
	-	2.00

**Trade Receivables ageing schedule
As at 31 March 2023**

Particulars	Less than 6 months	6 months to 1 year	1 - 2 years	2- 3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	-	-	-	-	-	-
(ii) Undisputed trade receivables - considered doubtful (Having significant increase in risk)	-	-	19,688.10	25,405.32	9,64,874.98	10,09,968.40
Less: provision for doubtful trade receivables	-	-	(19,688.10)	(25,405.32)	(9,64,874.98)	(10,09,968.40)
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-
(v) Disputed trade receivables - considered doubtful (Having significant increase in risk)	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

All amount in ₹ hundred, unless otherwise stated

	As at 31 March 2023					As at 31 March 2022
As at 31 March 2022						
Particulars	Less than 6 months	6 months to 1 year	1 - 2 years	2- 3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	2.00	-	-	-	-	2.00
(ii) Undisputed trade receivables - considered doubtful (Having significant increase in risk)	19,688.10	-	25,405.32	19,760.52	9,45,114.46	10,09,968.40
Less: provision for doubtful trade receivables	(19,688.10)	-	(25,405.32)	(19,760.52)	(9,45,114.46)	(10,09,968.40)
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-
(v) Disputed trade receivables - considered doubtful (Having significant increase in risk)	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-

Note - 12
Cash and cash equivalents

Cash on hand

Balances with banks

In current accounts

-	-
641.73	5,662.27
641.73	5,662.27

Note - 13
Other bank balances

Bank deposits

With maturity of more than three months and upto twelve months

Interest accrued on bank deposits

10,000.00	10,000.00
4.88	3.70
10,004.88	10,003.70

*Fixed deposits with banks of ₹ 10,000.00 (excluding accrued interest) (31 March 2022: ₹ 10,000.00 (excluding accrued interest) are pledged for guarantee provided by the Bank in favour of Regional Officer, Maharashtra Pollution Control Board, Nasik.

Note - 14
Loans - current

(Unsecured, considered good)

Loans and advances to related parties

1,44,33,450.00	1,36,17,150.00
1,44,33,450.00	1,36,17,150.00

Note - 15
Equity share capital
i Authorised

Equity share capital of face value of ₹ 10 each

Number	Amount	Number	Amount
10,00,00,000	1,00,00,000.00	10,00,00,000	1,00,00,000.00
10,00,00,000	1,00,00,000.00	10,00,00,000	1,00,00,000.00

ii Issued, subscribed and fully paid up

Equity share capital of face value of ₹ 10 each

7,30,27,310	73,02,731.00	7,30,27,310	73,02,731.00
7,30,27,310	73,02,731.00	7,30,27,310	73,02,731.00

iii Reconciliation of number and amount of equity shares outstanding at the beginning and at the end of the year
Equity shares

Balance at the beginning of the year

Add: Issued during the year

Less: Redeemed during the year

Balance at the end of the year

7,30,27,310	73,02,731.00	7,30,27,310	73,02,731.00
-	-	-	-
-	-	-	-
7,30,27,310	73,02,731.00	7,30,27,310	73,02,731.00



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

All amount in ₹ hundred, unless otherwise stated

As at

As at

31 March 2023

31 March 2022

iv Rights, preferences and restrictions attached to equity and preference 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 6,50,00,000 (previous year: 6,50,00,000) equity shares of the Company is held by holding company namely Indiabulls Real Estate Limited and its nominees.

Pursuant to a shareholding agreement between the Company, Indiabulls Real Estate Limited (IBREL) and Maharashtra Industrial Development Corporation (MIDC) for development of Special Economic Zone (SEZ) in Sinnar district of Nashik, IBREL and MIDC had agreed to subscribe to the equity share capital of the Company. Accordingly, the Company had issued 8,027,310 equity shares of ₹ 10 each at face value to MIDC on April 29, 2010.

vi Details of shareholder holding more than 5% share capital

Name of the equity shareholder	Number of shares	Number of shares
Indiabulls Real Estate Limited (including nominee shares)	6,50,00,000	6,50,00,000
Maharashtra Industrial Development Corporation	80,27,310	80,27,310

vii Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at 31 March 2023 is as follows:

Promoter Name	Share Held by Promoters				
	As at 31 March 2023		As at 31 March 2022		
	Number of shares	% Total of Shares	Number of shares	% Total of Shares	% Change during the year
Indiabulls Real Estate Limited (including nominee shares)	6,50,00,000	89	6,50,00,000	89	-
Total	6,50,00,000	89	6,50,00,000	89	-

Disclosure of shareholding of promoters as at 31 March 2022 is as follows:

Promoter Name	Share Held by Promoters				
	As at 31 March 2022		As at 31 March 2021		
	Number of shares	% Total of Shares	Number of shares	% Total of Shares	% Change during the year
Indiabulls Real Estate Limited (including nominee shares)	6,50,00,000	89	6,50,00,000	89	-
Total	6,50,00,000	89	6,50,00,000	89	-

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

Note - 16

A Provisions - non-current

Provision for employee benefits:

Gratuity (Refer Note-42)

19,963.14

36,863.18

Compensated absences (Refer Note-42)

2,295.41

22,258.55

8,108.51

44,971.69

22,258.55

44,971.69

B Provisions - current

Provision for employee benefits:

Gratuity (Refer Note-42)

361.12

688.24

Compensated absences (Refer Note-42)

44.07

405.19

155.03

843.27

405.19

843.27



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

All amount in ₹ hundred, unless otherwise stated

	As at 31 March 2023	As at 31 March 2022
Note - 17		
A Other non-current liabilities		
Lease premium	1,02,73,708.06	1,04,10,940.66
Security deposit received	65,00,000.00	65,00,000.00
	<u>1,67,73,708.06</u>	<u>1,69,10,940.66</u>
B Other current liabilities		
Payable to statutory authorities	1,029.83	2,211.95
Lease premium	1,37,757.04	1,37,750.32
	<u>1,38,786.87</u>	<u>1,39,962.27</u>
Note - 18		
Other financial liabilities - current		
Expenses payable	10,158.60	11,365.13
	<u>10,158.60</u>	<u>11,365.13</u>
Note - 19		
Current tax liabilities, net		
Provision for income tax	1,54,450.21	2,61,147.52
	<u>1,54,450.21</u>	<u>2,61,147.52</u>



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

All amount in ₹ hundred, unless otherwise stated

	For the year ended 31 March 2023	For the year ended 31 March 2022
Note - 20		
Revenue from operations		
Lease income	1,37,225.88	1,51,149.57
	1,37,225.88	1,51,149.57
Note - 21		
Other income		
Interest income on loans and advances to related party	12,77,995.79	12,16,893.43
Interest income on fixed deposits	501.32	490.08
Interest income on security deposit	-	6,965.48
Miscellaneous income	822.78	0.36
	12,79,319.89	12,24,349.35
Note - 22		
Employee benefits expense		
Salaries and wages	88,154.06	1,01,074.51
Bonus and ex-gratia	3,131.32	-
Gratuity and leave encashment	(1,910.92)	7,454.57
Contribution to provident fund and other funds	3,573.04	6,796.30
	92,947.50	1,15,325.38
Note - 23		
Finance costs		
Interest expenses on taxation	15,497.33	30,234.31
	15,497.33	30,234.31
Note - 24		
Other expenses		
Bank charges	1.76	6.18
Auditor's remuneration - as auditor (refer note (i) below)	1,180.00	1,180.00
Bad debts written off	-	10,09,968.40
Communication expenses	284.14	438.83
Corporate social responsibility expenses	12,300.00	9,360.00
Legal and professional charges	5,369.90	2,725.20
Power and fuel expenses	1,050.03	815.70
Rates and taxes	257.72	659.81
Repairs and maintenance		
- Buildings	-	3,480.98
- Others	12,241.80	18,599.66
Security expenses	17,180.62	15,003.65
Software expenses	159.77	-
Subscription fees	236.00	944.00
Traveling and conveyance expenses	458.80	528.30
Miscellaneous expenses	195.55	762.56
	50,916.09	10,64,473.27
(i) Details of Auditor's remuneration		
Auditor's remuneration		
Audit fee	1,180.00	1,180.00
	1,180.00	1,180.00
(ii) Corporate social responsibility (CSR):		

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Gross amount required to be spent by the company during the year	12,300.00	9,360.00
Amount of expenditure incurred	12,300.00	9,360.00
Short fall at the end of the year	-	-
Nature of CSR activities	Health care program	Health care program



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

All amount in ₹ hundred, unless otherwise stated

	For the year ended 31 March 2023	For the year ended 31 March 2022
Note - 25		
Income tax		
Tax expense comprises of:		
Current income tax	2,74,875.14	2,54,512.76
Adjustment for tax related to earlier year	1,556.01	(986.23)
Deferred tax charge/(credit)	-	-
Income tax expense reported in the statement of profit or loss	2,76,431.15	2,53,526.53

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.168% (31 March 2022: 25.168%) and the reported tax expense in profit or loss are as follows:

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

Accounting profit/(loss) before tax from continuing operations	10,09,932.82	(2,48,594.82)
Accounting profit/(loss) before income tax	10,09,932.82	(2,48,594.82)

At India's statutory income tax rate	25.168%	25.168%
Computed expected tax expense	2,54,179.89	(62,566.34)

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

Tax impact of corporate social responsibility	1,547.83	1,177.86
Tax impact of interest / penalty on taxes	3,896.47	7,609.37
Tax impact of provision for leave encashment & gratuity	(480.95)	1,876.16
Tax impact of provision for doubtful debt	-	2,54,188.85
Tax impact of depreciation as per Companies Act	62,228.39	1,04,210.82
Tax impact of depreciation as per Income Tax	(46,496.51)	(51,983.96)
Income tax expense	2,74,875.14	2,54,512.76
Adjustment for tax related to earlier year	1,556.01	(986.23)
	2,76,431.15	2,53,526.53

Note - 26

Earnings per share (EPS)

The Company's Earnings per Share ("EPS") is determined based on the net profit attributable to the shareholders. 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 (using the treasury stock method for options), except where the result would be anti-dilutive.

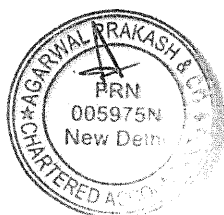
The following reflects the income and share data used in the basic and diluted EPS computations:

Profit/(loss) attributable to equity holders for basic earnings	7,33,501.67	(5,02,121.35)
Profit/(loss) attributable to equity holders adjusted for the effect of dilution	7,33,501.67	(5,02,121.35)
Weighted average number of Equity shares for basic/diluted EPS*	7,30,27,310	7,30,27,310

*No transaction is there which have impacted the calculation of weighted average number of shares. No other transaction involving Equity shares or potential Equity shares is there between the reporting date and the date of authorisation of these financial statements.

Earnings per equity share :

(1) Basic (₹)	1.00	(0.69)
(2) Diluted (₹)	1.00	(0.69)



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

All amount in ₹ hundred, unless otherwise stated

Note -27

A) Financial Instruments by category

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

	31 March 2023			31 March 2022		
	FVTPL (See note 1 below)	FVOCI (See note 2 below)	Amortised cost	FVTPL (See note 1 below)	FVOCI (See note 2 below)	Amortised cost
Financial assets						
Trade receivables	-	-	-	-	-	2.00
Loans	-	-	1,44,33,450.00	-	-	1,36,17,150.00
Cash and cash equivalents	-	-	641.73	-	-	5,662.27
Other bank balances	-	-	10,004.88	-	-	10,003.70
Other financial assets	-	-	1,86,506.26	-	-	1,85,514.60
Total financial assets	-	-	1,46,30,602.87	-	-	1,38,18,332.57

Notes

1. These financial assets are mandatorily measured at fair value through profit and loss.

2. These financial assets represent investments in equity instruments designated as such upon initial recognition.

	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities						
Other financial liabilities	-	-	10,158.60	-	-	11,365.13
Total financial liabilities	-	-	10,158.60	-	-	11,365.13

B) Fair value measurements
(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

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

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Company does not have any financial assets and financial liabilities that are required to be measured at fair value so no analysis has been shown for fair value measurements.

(ii) Financial instruments measured at amortised cost

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



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

All amount in ₹ hundred, unless otherwise stated

Note -28

Financial 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 establishment and oversight of 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 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 financials loss. Maximum exposure to credit risk primarily comes from trade receivables. Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit rating assigned by international and domestic credit rating agencies.

The companies trade receivables are primarily lease receivables against operating lease. The company monitors receivable on an ongoing basis, thereby, minimising credit risk.

Credit risk management

The finance function of the Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Entity classifies its financial assets into the following categories based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Assets under credit risk –

Credit rating	Particulars	31 March 2023	31 March 2022
A	Cash and cash equivalents	641.73	5,662.27
A	Other bank balances	10,004.88	10,003.70
A	Loans	1,44,33,450.00	1,36,17,150.00
A	Other financial assets	1,86,506.26	1,85,514.60

The risk parameters are same for all financial assets for all period presented. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Credit risk exposure

Provision for expected credit losses

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
Cash and cash equivalents	641.73	-	641.73
Other bank balances	10,004.88	-	10,004.88
Loans	1,44,33,450.00	-	1,44,33,450.00
Other financial assets	1,86,506.26	-	1,86,506.26

As at 31 March 2022

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	5,662.27	-	5,662.27
Other bank balances	10,003.70	-	10,003.70
Loans	1,36,17,150.00	-	1,36,17,150.00
Other financial assets	1,85,514.60	-	1,85,514.60



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

All amount in ₹ hundred, unless otherwise stated

Expected credit loss for trade receivables under simplified approach

In respect of trade receivables, the Company considers provision for lifetime expected credit loss. The companies trade receivables are primarily lease receivables against operating lease. The company monitors receivable on an ongoing basis, thereby, minimising credit risk.

Further, during the years presented, the Company had made provision for expected credit loss on trade receivables.

Reconciliation of loss provision – trade receivables

Reconciliation of loss allowance	Trade receivables
Loss allowance as on 01 April 2021	-
Impairment loss recognised/reversed during the year	10,09,968.40
Loss allowance on 31 March 2022	10,09,968.40
Impairment loss recognised/reversed during the year	-
Loss allowance on 31 March 2023	10,09,968.40

(B) Liquidity risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has no outstanding bank borrowings. The company believes that the working capital is sufficient to meet its current requirements.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is insignificant.

31 March 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	More than 4 years	Total
Non-derivatives						
Other financial liabilities	10,158.60	-	-	-	-	10,158.60
Total	10,158.60	-	-	-	-	10,158.60

31 March 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	More than 4 years	Total
Non-derivatives						
Other financial liabilities	11,365.13	-	-	-	-	11,365.13
Total	11,365.13	-	-	-	-	11,365.13

(C) Market risk

Foreign exchange risk

Company does not have any foreign currency risks and therefore sensitivity analysis has not been shown.

Interest rate risk

Company does not have any interest rate risks and therefore sensitivity analysis has not been shown.

Price risk

Company does not have any price risk



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

All amount in ₹ hundred, unless otherwise stated

Note -29

Details with respect to the Benami properties

No proceedings have been initiated or pending against the entity under the Benami Transactions (Prohibitions) Act, 1988 for the year ended 31 March 2023 and 31 March 2022.

Note -30

Undisclosed income

There is no such income which has not been disclosed in the books of accounts. No such income is surrendered or disclosed as income during the year ended 31 March 2023 and 31 March 2022 in the tax assessments under Income Tax Act, 1961.

Note -31

Details of Crypto Currency or Virtual Currency

Profit or loss on transactions involving Crypto currency or Virtual Currency	No such transaction has taken place during the year ended 31 March 2023 and 31 March 2022
Amount of currency held as at the reporting date	No such transaction has taken place during the year ended 31 March 2023 and 31 March 2022
Deposits or advances from any person for the purpose of trading or investing in Crypto Currency / virtual currency	No such transaction has taken place during the year ended 31 March 2023 and 31 March 2022

Note -32

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	48.26	33.50	44.06%
Return on Equity (ROE) [#]	Net Profit After Taxes	Average Share holder's Equity	NA	NA	NA
Trade Receivables turnover ratio [*]	Revenue	Average Trade Receivable	NA	NA	NA
Net Capital Turnover Ratio	Revenue	Working Capital	0.01	0.01	-15.06%
Net profit ratio [#]	Net profit	Revenue	NA	NA	NA
Return of Capital Employed (ROCE) [#]	Earning before interest taxes	Capital Employed	NA	NA	NA

Following ratios are not applicable in view of the fact that either numerator or denominator does not have any value:

Debt service coverage ratio, Debt equity ratio, Trade payables turnover ratio, Inventory turnover ratio and Return on investment ratio.

[^]Variance is due to increase in current assets during the current year.

[#]Ratio can not be calculated due to negative earnings and net loss during the previous year.

^{*}Trade Receivables Turnover Ratio can not be calculated as there is no operating trade receivables in current year and previous year.

Note -33

Wilful Defaulter:

No bank or financial institution has declared the company as "Wilful defaulter" during the year ended 31 March 2023 and 31 March 2022.

Note -34

Details in respect of Utilization of Borrowed funds and share premium:

Particulars	Description
Transactions where an entity has provided any advance, loan, or invested funds to any other person (s) or entity/ entities, including foreign entity.	No such transaction has taken place during the year ended 31 March 2023 and 31 March 2022
Transactions where an entity has received any fund from any person (s) or entity/ entities, including foreign entity.	No such transaction has taken place during the year ended 31 March 2023 and 31 March 2022

Note -35

Relationship with Struck off Companies:

No transaction has been made with the company 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

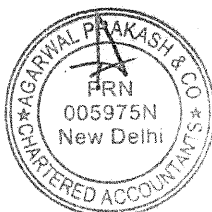
Registration of charges or satisfaction with Registrar of Companies:

All applicable cases where registration of charges or satisfaction is required with Registrar of Companies have been done. No registration or satisfaction is pending for the year ended 31 March 2023 and 31 March 2022.

Note -37

Compliance with number of layers of companies:

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 and no layers of companies has been established beyond the limit prescribed as per above said section / rules during the year ended 31 March 2023 and 31 March 2022.



Note -38

Loan or advances granted to the promoters, directors and KMPs and the related parties:

Particulars	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Type of Borrower	Amount of Loan or advance in the nature of loan outstanding	Amount of Loan or advance in the nature of loan outstanding	Percentage to the total Loans and advances in natures of loans (%)	Percentage to the total Loans and advances in natures of loans (%)
Related Party (Refer Note: 40):				
Indiabulls Real Estate Limited	1,44,33,450	1,36,17,150	100	100
Total	1,44,33,450	1,36,17,150	100	100

This loan is granted to related party which is repayable on demand.



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INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

All amount in ₹ hundred, unless otherwise stated

Note – 39**Capital management**

The Company's objectives when managing capital are to:

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

Management assesses the 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.

Note – 40**Related party transactions**

Relationship	Name of the related parties
<i>Related parties exercising control</i> Holding company	Indiabulls Real Estate Limited

(i) Statement of transactions with related parties

Nature of transactions	Holding Company	
	2022-23	2021-22
Loans and advances given/(received back), net	816,300.00	709,700.00
Interest income on advances given	1,277,995.79	1,216,893.43

(ii) Statement of balances outstanding:

Nature of transactions	31 March 2023	31 March 2022
Loans and advances given to holding company	14,433,450.00	13,617,150.00

Disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed.

Note – 41**Contingent liabilities and commitments**

Contingent liabilities, not acknowledged as debt, include:

Particulars	31 March 2023	31 March 2022
Income tax demand in respect of which appeals have been filed with CIT(A) for A.Y 2020-21	536.40	536.40
VAT demand received for A.Y 2012-13 in respect of which appeal is pending with Maharashtra Sales Tax Tribunal, Mumbai.	85,400.14	85,400.14

The Company certain litigation case pending, however, based on legal advice, the management does not expect any unfavourable outcome resulting in material adverse effect on the financial position of the Company.

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



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

All amount in ₹ hundred, unless otherwise stated

Note – 42

Employee benefits**Defined contribution plan**

The Company has made ₹ 1,990.02 (31 March 2022: ₹ 3,779.73) contribution in respect of provident fund.

Defined Benefit Plan

The Company has the following Defined Benefit Plans:

- Gratuity (Unfunded)
- Compensated absences (Unfunded)

Risks associated with plan provisions

Discount rate risk	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality risk	Actual death & liability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Salary risk	Actual salary increase will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Withdrawal risk	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Compensated absences

The leave obligations cover the Company's liability for sick and earned leaves. The amount of provision of ₹ 44.07 (31 March 2022: ₹ 155.03) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current.

Actuarial (Gain)/Loss on obligation:

Particulars	31 March 2023	31 March 2022
Actuarial (gain)/loss on arising from change in demographic assumptions	-	-
Actuarial (gain)/loss on arising from change in financial assumptions	(53.36)	(618.23)
Actuarial (gain)/loss on arising from change in experience assumptions	(6,624.19)	2,512.85

Amount recognised in the statement of profit and loss is as under:

Particulars	31 March 2023	31 March 2022
Service cost	160.17	587.59
Interest cost	593.32	369.62
Actuarial (gain)/loss for the year	(6,677.55)	1,894.62
Expense recognized in the statement of profit and loss	(5,924.06)	2,851.83



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

All amount in ₹ hundred, unless otherwise stated

Movement in the liability recognized in the balance sheet is as under:

Particulars	31 March 2023	31 March 2022
Present value of defined benefit obligation at the beginning of the year	8,263.54	5,411.71
Present value of defined benefit obligation received for employees transferred to the Company	-	-
Current service cost	160.17	587.59
Interest cost	593.32	369.62
Actuarial (gain)/loss, net	(6,677.55)	1,894.62
Benefits paid	-	-
Present value of defined benefit obligation at the end of the year	2,339.48	8,263.54
-Current	44.07	155.03
-Non-current	2,295.41	8,108.51

For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	Compensated absences	
	31 March 2023	31 March 2022
Discount rate	7.36%	7.18%
Salary escalation rate	5.00%	5.00%
Mortality table	Indian Assured Lives Mortality (2012 -14)	Indian Assured Lives Mortality (2012 -14)

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

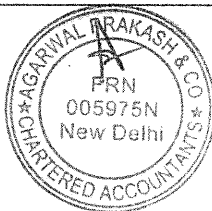
These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan of Defined Benefit Obligation

S. No.	Year	31 March 2023	Year	31 March 2022
a)	April 2023 - March 2024	44.07	April 2022 - March 2023	155.03
b)	April 2024 - March 2025	33.73	April 2023 - March 2024	135.15
c)	April 2025 - March 2026	34.06	April 2024 - March 2025	137.19
d)	April 2026 - March 2027	34.47	April 2025 - March 2026	139.35
e)	April 2027 - March 2028	34.94	April 2026 - March 2027	141.64
f)	April 2028 - March 2029	32.49	April 2027 - March 2028	4,483.91
g)	April 2029 onwards	2,125.72	April 2028 onwards	3,071.27

Sensitivity analysis for compensated absences liability

Particulars	31 March 2023	31 March 2022
Impact of the change in discount rate		
Present value of obligation at the end of the year	2,339.48	8,263.54
a) Impact due to increase of 0.50 %	(146.88)	(334.93)
b) Impact due to decrease of 0.50 %	154.77	349.82



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

All amount in ₹ hundred, unless otherwise stated

Impact of the change in salary increase			
	Present value of obligation at the end of the year	2339.48	8,263.54
a)	Impact due to increase of 0.50 %	159.08	358.13
b)	Impact due to decrease of 0.50 %	(148.71)	(339.52)

Sensitivities due to mortality and withdrawal are not material & hence impact of change not calculated.

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity plan is a non-funded plan.

Particulars	31 March 2023	31 March 2022
Actuarial (gain)/loss on arising from change in demographic assumptions	-	-
Actuarial (gain)/loss on arising from change in financial assumptions	(461.72)	(3,080.90)
Actuarial (gain)/loss on arising from change in experience assumptions	1,922.42	7,705.43

Amount recognised in the statement of profit and loss is as under:

Particulars	31 March 2023	31 March 2022
Current service cost	1,316.95	2,668.20
Interest cost	2,696.19	1,934.54
Expense recognized in the statement of profit and loss	4,013.14	4,602.74

Movement in the liability recognized in the balance sheet is as under:

Particulars	31 March 2023	31 March 2022
Present value of defined benefit obligation at the beginning of the year	37,551.42	28,324.15
Present value of defined benefit obligation received for employees transferred to the Company	-	-
Current service cost	1,316.95	2,668.20
Interest cost	2,696.19	1,934.54
Actuarial (gain)/loss, net	18,759.70	4,624.53
Benefits paid	(40,000.00)	-
Present value of defined benefit obligation at the end of the year	20,324.26	37,551.42
-Current	361.12	688.24
-Non-current	19,963.14	36,863.18

For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	Gratuity	
	31 March 2023	31 March 2022
Discount rate	7.36%	7.18%
Salary escalation rate	5.00%	5.00%
Mortality table	Indian Assured Lives Mortality (2012 -14)	Indian Assured Lives Mortality (2012 -14)



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

All amount in ₹ hundred, unless otherwise stated

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan of Defined Benefit Obligation

S. No.	Year	31 March 2023	Year	31 March 2022
a)	April 2023 - March 2024	361.12	April 2022 - March 2023	688.24
b)	April 2024 - March 2025	283.08	April 2023 - March 2024	592.02
c)	April 2025 - March 2026	286.73	April 2024 - March 2025	600.73
d)	April 2026 - March 2027	290.97	April 2025 - March 2026	610.13
e)	April 2027 - March 2028	295.68	April 2026 - March 2027	620.23
f)	April 2028 - March 2029	286.80	April 2027 - March 2028	16,655.42
g)	April 2029 onwards	18,519.88	April 2028 onwards	17,784.65

Sensitivity analysis for gratuity liability

Impact of the change in discount rate		31 March 2023	31 March 2022
	Present value of obligation at the end of the year	20,324.26	37,551.42
a)	Impact due to increase of 0.50 %	(1,220.54)	(1,645.20)
b)	Impact due to decrease of 0.50 %	1,313.34	1,756.41
Impact of the change in salary increase			
	Present value of obligation at the end of the year	20,324.26	37,551.42
a)	Impact due to increase of 0.50 %	1,337.36	1,785.31
b)	Impact due to decrease of 0.50 %	(1,252.71)	(1,686.03)

Sensitivities due to mortality and withdrawal are not material & hence impact of change not calculated.

Note – 43**Provident fund**

Pursuant to recent judgement by the Hon'ble Supreme Court of India dated 28 February 2019, it was held that basic wages, for the purpose of provident fund, to include allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies and accordingly, the Company has not provided for any liability on account of this.

Note – 44

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note – 45**Segment information**

The Company's primary business segment is reflected based on principal business activities carried on by the Company i.e. development of real estate projects which as per Ind AS 108 on 'Segment Reporting' is considered to be the only reportable business segment. The Company is operating in India which is considered as a single geographical segment.



INDIABULLS INDUSTRIAL INFRASTRUCTURE LIMITED

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

All amount in ₹ hundred, unless otherwise stated

Note – 46**Leases**

The company has leased out land on operating lease basis and lease rent of ₹ 137,225.88 hundred (31 March 2022: ₹ 151,149.57 hundred) in respect of the same has been recognised as income in the statement of profit and loss for the year ended 31 March 2023. The minimum lease rent receivable in respect of such operating leases is as under:

Particulars	31 March 2023	31 March 2022
Within one year	13,923.72	13,923.72
Later than one year but not later than five years	55,697.83	55,697.83
Later than five years	1,018,439.27	1,018,439.27

Note – 47**Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows**

Ind AS-7 require the entities to provide disclosure that enable users of financial statements to evaluate change in financial liabilities arising from financing activities including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities to meet the disclosure requirement. Since there is no change in financial liability arising from such activities, hence, this requirement of disclosure is not applicable to the company.

Note – 48**Other matters**

- 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.
- In respect of amounts as mentioned under Section 125 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 and 31 March 2022.
- In the opinion of the Board of Directors, all current assets and long term loans & advances, 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.

For Agarwal Prakash & Co.

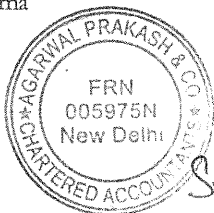
Chartered Accountants

Firm's Registration Number: 005975N

For and on behalf of the Board of Directors



Aashish K. Verma
Partner



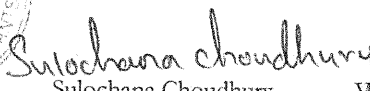
Place: Delhi
Date: 30 May 2023



Amit Shah Gopal
Whole Time Director
[DIN: 02110817]
Place: Mumbai



Shweta Prakash Pawar
Director
[DIN: 09670817]
Place: Mumbai



Sulochana Choudhury
Company Secretary



Vinay Dave
Chief Financial Officer